

**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. Thomas J. Tucker
Debtor	:	
-----	X	

**THE CITY OF DETROIT'S EIGHTEENTH OMNIBUS
OBJECTION TO CERTAIN CLAIMS**

(Satisfied Claims)

THIS OBJECTION SEEKS TO DISALLOW AND EXPUNGE CERTAIN FILED PROOFS OF CLAIM. CLAIMANTS RECEIVING THIS OBJECTION SHOULD CAREFULLY REVIEW THIS OBJECTION AND LOCATE THEIR NAMES AND CLAIMS ON THE EXHIBIT ATTACHED TO THIS OBJECTION.

The City of Detroit (the "City"), by and through its undersigned counsel, for its objection to claims (the "Objection") and its request for an order disallowing and expunging certain satisfied claims, substantially in the form attached hereto as Exhibit 1, respectfully states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Objection pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND FACTS

2. On July 18, 2013 (the "Petition Date"), the City filed a petition for relief in this Court, thereby commencing the largest Chapter 9 bankruptcy case in history.



3. Information regarding the City's economic challenges and the events leading up to the filing of this case can be found in the *Declaration of Kevyn D. Orr in Support of City of Detroit, Michigan's Statement of Qualifications Pursuant to Section 109(c) of the Bankruptcy Code* filed on July 18, 2013 (Dkt. No. 11).

4. On December 5, 2013, this Court held that the City was eligible for relief under Chapter 9 of the Bankruptcy Code. *See Order for Relief Under Chapter 9 of the Bankruptcy Code* (Dkt. No. 1946).

5. On November 12, 2014, this Court entered an Order Confirming the Eighth Amended Plan for the Adjustment of Debts of the City of Detroit (Dkt. 8272) (the "Plan").

6. The Plan became effective on December 10, 2014 (the "Effective Date").

7. On November 21, 2013, this Court issued its *Order, Pursuant to Sections 105, 501, and 503 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3003(c), Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* (Dkt. No. 1782) (the "Bar Date Order") establishing deadlines to file certain proofs of claim in this case. The Bar Date Order set the deadline to file proofs of claim as February 21, 2014 at 4:00 p.m., Eastern Time (the "Bar Date").

8. On December 24, 2013, this court issued its *Order, Pursuant to Sections 105 and 502 of the Bankruptcy Code, Approving Alternative Dispute Resolution Procedures to Promote the Liquidation of Certain Prepetition Claims* [Dkt. No. 2302] (the "ADR Order"), allowing the City to resolve certain pre-petition claims.

9. Throughout the course of the case, the City has been paying a number of parties in pursuant to the ADR Order, including the Claims objected to herein. Each of these claimants signed a settlement agreement with the City Law Department related to a litigation claim. These

parties had also filed proofs of claim on or before the Bar Date, and such claims have now been satisfied by the City through the payments detailed in each settlement agreement.¹

RELIEF REQUESTED

10. The City files this Objection pursuant to Section 502(b) of the Bankruptcy Code², and Rule 3007(d)(5) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), seeking entry of an order disallowing and expunging the claims set forth in Exhibit 2 annexed hereto (the “Satisfied Claims”) because they have been satisfied by the City through settlement agreements with the Law Department.

BASIS FOR RELIEF REQUESTED

11. The City has reviewed the Satisfied Claims and submits that each Satisfied Claim is no longer valid because it has been paid pursuant to an agreed-upon settlement.

12. James D. Nosedá, Supervising Assistant Corporation Counsel for the City Law Department, submits a Declaration in support of this Objection, attached as Exhibit 3.

13. Bankruptcy Rule 3007(d)(5) expressly allows the City to object to multiple claims in an omnibus objection if the objections are based on the grounds that the claims “have been satisfied or released during the case in accordance with the Code, applicable rules or a court order[.]” Fed. R. Bankr. P. 3007(d)(5).

14. This Court has the authority to enter an order approving this Objection. Moreover, the streamlined process afforded by an omnibus objection (in lieu of individual objections to each Satisfied Claim), as well as the elimination of these Satisfied Claims, will result in material costs savings that will inure to the benefit of the estate. Accordingly, the City

¹ For confidentiality purposes, the City is not filing the settlement agreements or including the amount of such settlement payments in this Objection. However, the City will make such materials available to the Court if requested.

² Section 502 is made applicable to Chapter 9 proceedings through Section 901(a) of the Bankruptcy Code.

believes that the relief sought by this Objection is in the best interests of the City and its creditors. Based upon the foregoing, the City seeks entry of an order, substantially in the form annexed hereto as Exhibit 1, disallowing claims which have been satisfied by the City.

SEPARATE CONTESTED MATTERS

15. To the extent that a response is filed regarding any claim listed in this Objection and the City is unable to resolve the response, each one of such claims, and the objection by the City to each one of such claims asserted, shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in this Objection shall be deemed a separate order with respect to each claim.

RESERVATION OF RIGHTS

16. The City files this Objection without prejudice to or waiver of its rights pursuant to section 904 of the Bankruptcy Code, and nothing herein is intended to, shall constitute or shall be deemed to constitute the City's consent, pursuant to section 904 of the Bankruptcy Code, to this Court's interference with (a) any of the political or governmental powers of the City, (b) any of the property or revenues of the City or (c) the City's use or enjoyment of any income-producing property.

NOTICE

17. The City has provided notice of this Objection to each of the claimants identified in Exhibit 2 at each address set forth in Exhibit 2, and all other parties who have requested notice pursuant to Bankruptcy Rule 2002. Each address reflects the address set forth by each of the claimants on its respective proof of claim. Given the nature of the relief requested, the City respectfully submits that no other or further notice of this Objection need be given.

NO PRIOR REQUEST

18. No previous request for the relief requested herein has been made to this or any other court.

WHEREFORE, the City respectfully requests that this Court enter an order, substantially in the form annexed hereto as Exhibit 1, granting the relief requested herein and granting the City such other and further relief as this Court may deem just and proper.

Dated: July 23, 2015

FOLEY & LARDNER LLP

By: /s/ Tamar N. Dolcourt
John A. Simon (P61866)
Tamar N. Dolcourt (P73425)
500 Woodward Ave., Ste. 2700
Detroit, MI 48226
313.234.7100
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Counsel for the City of Detroit, Michigan

**IN THE UNITED STATES BANKRUPTCY COURT
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**NOTICE OF THE CITY OF DETROIT'S EIGHTEENTH OMNIBUS
OBJECTION TO CERTAIN CLAIMS**

(Satisfied Claims)

PLEASE CAREFULLY REVIEW THIS OBJECTION AND THE ATTACHMENTS HERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS YOUR CLAIM(S).

PLEASE TAKE NOTICE THAT the City, by and through its undersigned counsel, has filed an objection to certain satisfied claims (the "Eighteenth Omnibus Objection") and for an order disallowing and expunging certain satisfied claims.

YOUR CLAIM MAY BE REDUCED, MODIFIED OR ELIMINATED.
PURSUANT TO FED. R. BANKR. P 3007(e)(1) AND PRIOR ORDERS OF THIS
COURT. YOU SHOULD REVIEW EXHIBIT 2 OF THE EIGHTEENTH OMNIBUS
OBJECTION TO FIND YOUR NAME AND CLAIM. YOU SHOULD READ THESE
PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU
HAVE ONE.

If you do not want the court to eliminate or change your claim, or grant the relief request in the Eighteenth Omnibus Objection, then on or before **August 19, 2015**, you or your lawyer must:

1. File with the court, at the address below, a written response to the objection. Unless a written response is filed and served by the date specified, the court may decide that you do not oppose the objection to your claim.

Clerk of the Court
United States Bankruptcy Court
211 W. Fort Street, Suite 2100
Detroit, MI 48226

If you mail your response to the Court for filing, you must mail it early enough so that the Court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically.

2. A copy of your response must also be mailed to counsel for the City:

John A. Simon
Tamar N. Dolcourt
Leah R. Imbrogno
Foley & Lardner LLP
500 Woodward Ave., Ste. 2700
Detroit, MI 48226

3. You must also attend the hearing on the objection scheduled to be held on **August 26, 2015** at 1:30 p.m. in Courtroom 1925, 211 W. Fort Street, Detroit, MI 48226 unless your attendance is excused by mutual agreement between yourself and the City's attorney.

If you or your attorney do not take these steps, the court may decide that you do not oppose the objection to your claim, in which event the hearing will be canceled and the objection sustained.

Date: July 23, 2015

FOLEY & LARDNER LLP

By: /s/ Tamar N. Dolcourt

John A. Simon (P61866)

Tamar N. Dolcourt (P73425)

Leah R. Imbrogno (P79384)

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Counsel for the City of Detroit, Michigan

EXHIBIT 1: PROPOSED ORDER

4843-3751-4277.2

**IN THE UNITED STATES BANKRUPTCY COURT
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**ORDER GRANTING THE CITY OF DETROIT'S
EIGHTEENTH OMNIBUS OBJECTION TO CERTAIN CLAIMS**

(Satisfied Claims)

Upon the eighteenth omnibus objection to claims, dated July 23, 2015 (the "Objection"),¹ of the City of Detroit, Michigan, (the "City"), seeking entry of an order disallowing and expunging certain satisfied claims, and it appearing that this Court has jurisdiction over the Objection pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Objection in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Objection is in the best interests of the City, and its creditors; and due and proper notice of the Objection having been given as provided in the Objection; and it appearing that no other or further notice of the Objection need be given; and a hearing on the Objection having been held before the Court; and any objections to the Objection having been overruled or withdrawn; and the Court finding that the legal and factual bases set forth in the Objection and at the hearing

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Objection.

establish just cause for the relief granted; and after due deliberation and good and sufficient cause appearing therefore; it is hereby

ORDERED, DECREED AND ADJUDGED that:

1. The Objection is granted as set forth herein.
2. All of the proofs of claim listed on Exhibit 2 annexed to the Objection are hereby disallowed and expunged in their entirety, pursuant to section 502(b) of the Bankruptcy Code.
3. The City's claims agent is hereby authorized to update the claims register to reflect the relief granted in this Order.
4. The City is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Objection.
5. Each claim and the objections by the City to each claim as addressed in the Objection and set forth in Exhibit 2 constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim. Any stay of this Order shall apply only to the contested matter that involves such creditor and shall not act to stay the applicability or finality of this Order with respect to the other contested matters covered hereby, and further provided that the City shall have the right to submit a separate order with respect to contested matters or claims.
6. Notice of the Objection as provided therein is good and sufficient notice of such objection, and the requirements of Bankruptcy Rule 3007(a) and the local rules of the Court are satisfied by such notice.

EXHIBIT 2: SATISFIED CLAIMS TO BE DISALLOWED

4843-3751-4277.2

SATISFIED CLAIMS

Claim No.	Creditor Name and Address	Date of Settlement Payment	Check Number for Settlement Payment
1448	Terence Ealy 1011 Vincent Ave. Minneapolis, MN 55411	1/9/2015	2058064
1788	Robert Cole Attn: Larry W. Bennett Seikaly & Stewart, PC 30300 Northwestern Hwy, Suite 200 Farmington Hills, MI 48334	2/20/2015	2059367
1126	Jaleel Gervin-barnes Attn: Christopher J. Trainor Christopher Trainor & Associates 9750 Highland Rd White Lake, MI 48386	3/13/2015	2060035
658	Derrick Merriwether 3000 Town Center, Suite 2800 Southfield, MI 48075	3/13/2015	2060176
3009	Veronica Davis, a minor, by her father, Robert Davis Reifman Law Firm PLLC 3000 Town Center, Suite 2800 Southfield, MI 48075	3/13/2015	2060157
1359	Walter Swift Neufeld Scheck & Brustin, LLP 99 Hudson Street, 8 th Fl New York, NY 10013 and Goodman & Hurwitz, P.C. 1394 E. Jefferson Ave. Detroit, MI 48207	3/13/2015	2060074 and 3317891
1777	Leonard Spratt Attn: Ben M. Gonek 500 Griswold Street, Suite 3500 Detroit, MI 48226	3/13/2015	3317825

1596	Kwan Hicks Romano Law 23880 Woodward Pleasant Ridge, MI 48069	3/20/2015	2060411
1771	Casadaria Heard Attn: Ben M. Gonek 500 Griswold Street, Suite 3500 Detroit, MI 48226	3/23/2015	2060326
1561	Brandon Brooks Attn: Daniel G. Romano Romano Law PLLC 23880 Woodward Ave. Pleasant Ridge, MI 48069	3/13/2015	2060142
1376	Shykesha Goines Attn: Brian J. Nagy 17000 W. 10 Mile Road, 2 nd Fl Southfield, MI 48075	4/16/2015	2061567
106	Dwayne Provience Attn: Wolfgang Mueller, Esq. 2684 West Eleven Mile Rd. Berkley, MI 48072	5/8/2015	2062715
270	Dwayne Provience Attn: Wolfgang Mueller, Esq. 2684 West Eleven Mile Rd. Berkley, MI 48072	5/8/2015	2062715
496	Omar Turner Attn: Renette Jackson AJ & Associates at Law PLLC 400 Monroe St., Suite 410 Detroit, MI 48226	6/5/2015	2064291

**EXHIBIT 3: DECLARATION OF JAMES D. NOSEDA REGARDING
SATISFIED CLAIMS**

4843-3751-4277.2

**IN THE UNITED STATES BANKRUPTCY COURT
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**DECLARATION OF JAMES D. NOSEDA IN SUPPORT OF THE CITY OF DETROIT'S
EIGHTEENTH OMNIBUS OBJECTION TO CERTAIN CLAIMS**

(Satisfied Claims)

I, James D. Nosedo, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information and belief:

1. I am the Supervising Assistant Corporation Counsel with the City of Detroit Law Department. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.

2. The City's ongoing claims reconciliation process involves the collective effort of a team of employees assembled from personnel specifically familiar with the operations and liabilities of the City. This team works together and in conjunction with City's counsel, the City's financial advisor, and the City's claims agent, to review proofs of claim filed against the City (each, a "Claim" and collectively, the "Claims").

3. In connection with the preparation of the Eighteenth Omnibus Objection to Certain Claims (Satisfied Claims) (the “Eighteenth Omnibus Objection”), the City and its financial professionals reviewed the Claims at issue, as described on Exhibit 2 of the Eighteenth Omnibus Objection. I have also personally reviewed the Eighteenth Omnibus Objection and the exhibits attached thereto. Accordingly, I am familiar with the information contained therein.

4. The City’s Law Department has been settling claims pursuant to this Court’s Order, Pursuant to Sections 105 and 502 of the Bankruptcy Code, Approving Alternative Dispute Resolution Procedures to Promote the Liquidation of Certain Prepetition Claims [Dkt. No. 2302] (the “ADR Order”) and has been making payments to the claimants based on such settlements. The claims listed on Exhibit 2 of the Eighteenth Omnibus Objection have been settled and paid pursuant to the ADR Order.

5. Based on the foregoing review, the City’s records indicate that any and all amounts due and owing under the Satisfied Claims have been paid in full, or otherwise settled or released, and, thus, such claims have been satisfied.

[SIGNATURE PAGE FOLLOWS]

1. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief.

Dated: July 23, 2015

By: /s/ James D. Noseda
James D. Noseda

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	:	
DEBTOR	:	Hon. Thomas J. Tucker
-----X	:	

CERTIFICATE OF SERVICE

I hereby certify that on July 23, 2015, I electronically filed *The City of Detroit's Eighteenth Omnibus Objection* (the "Omnibus Objection") with the Clerk of the Court which sends notice by operation of the court's electronic filing service to all ECF participants registered to receive notice in this case. The City has engaged a Noticing Agent, which will serve the Omnibus Objection on the Claimants listed therein and on all parties requesting notices listed on the Master Service List, and file a subsequent Proof of Service after it has performed the service.

Dated: July 23, 2015

FOLEY & LARDNER LLP

By: /s/ Tamar N. Dolcourt
John A. Simon (P61866)
Tamar N. Dolcourt (P73425)
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