

A Publication of Community Legal Resources

Bodman LLP makes \$25,000 gift to endowment fund for Community Legal Resources!

Community Legal Resources has received its largest ever contribution from a single law firm with a recent \$25,000 gift to our endowment from Bodman LLP through the State Bar of Michigan's Access to Justice Fund. Each of the firm's 78 partners contributed \$300 and the firm contributed the balance for a total gift of \$25,000. The funds are invested through the Capitol Area Community Foundation and generate an annual interest payment that CLR may use for operations or reinvest to continue to grow the fund.

Jerry Loeser, Senior Vice-President and Deputy General Counsel at Comerica, Incorporated, and a CLR Board Member since 1999 called the gift "extraordinary." Loeser stated, "If every Detroit law firm were as supportive of local nonprofits as Bodman has been, while I cannot say that all of the community's problems would disappear, I can say that many nonprofits would be much further along in their efforts to make them disappear."

Comerica's lawyers were also generous this year, collectively contributing nearly \$2,500 to CLR's

bodman endowment fund through individual gifts. Contributions have also been received this year from the law firms of Dykema Gossett, Pepper Hamilton, Howard and Howard, Butzel Long and Honigman Miller Schwartz and Cohn.

In addition to financial contributions, Bodman lawyers have been active volunteers on dozens of CLR pro bono projects over the years (see profile of Christopher Dine and Christopher Ballard, page 2). Bodman lawyers have provided thousands of hours of free legal services to CLR nonprofit clients including the Mosaic Youth Theatre (Detroit), Michigan Neighborhood Partnership (Detroit), the Community Economic Development Association of Michigan (Lansing), Washtenaw Affordable Housing Corporation (Ann Arbor) and the Capuchin Soup Kitchen (Detroit). Bodman was named CLR's Law Firm of the Year in 2002.

Can your firm match Bodman's gift?

Gifts to Access to Justice can be designated to Community Legal Resources

Community Legal Resources relies on charitable gifts from individuals, law firms, and corporations. Individual lawyers and law firms contributing through Access to Justice can designate their suggested \$300 contribution (or any amount) "for Community Legal Resources." Donors receive the same tax deduction and/or tax credit and recognition by the State Bar of Michigan, and the dollars come directly to us to serve more nonprofit organizations building neighborhoods in Detroit and across Michigan. To make a gift, download a pledge form at www.clronline.org/contributions or call us at (313) 964-4130. To pay by credit card, download the form at the State Bar's website: www.michbar.org/programs/ATJCampaign/pdfs/pledge_form.pdf

Thank you!

Volunteers of the Quarter: Bodman LLP Lawyers Christopher Ballard and Christopher Dine

Community Legal Resources recently recognized the dedication and commitment of lawyers Christopher Ballard and Christopher Dine, both partners of the law firm Bodman LLP. In the last year, each lawyer has donated hours of his time to help several nonprofit organizations in Southeastern Michigan.

Dine became acquainted with CLR through his work with Comerica Bank and has appreciated the opportunity to advise nonprofit organizations in a variety of areas including

corporate governance, corporate structure, purchasing issues and employment issues. Dine, who graduated from the University of Notre Dame



Christopher Dine

Law School, enjoys helping CLR with its mission of aiding nonprofits.

Having worked with organizations such as the Community Capital Development Corporation in Flint, Mt. Zion Missionary Baptist Church in Ecorse and the Highland Park Business Association, Dine has found it rewarding to see the results of his volunteer efforts in the success of these organizations who serve the Michigan community. Moreover, as Dine notes, the work is interesting and often challenging. Dine has also volunteered to assist CLR by serving on its Advisory Council for the 2005-2007 term.

Ballard, a graduate of the University of Michigan Law School, has assisted several nonprofit organizations including the Michigan Positive Action Coalition and the Volunteer Accounting Service Team of Michigan. He has also been an active participant in CLR's Community Land Trust Project. Ballard has always

been committed to pro bono work since he graduated from law school. As he developed his business and tax practice, he realized that he could use his expertise to help nonprofits who have sophisticated corporate and tax problems but often do not have the resources to find qualified legal counsel to assist them.



Christopher Ballard

Both Ballard and Dine have repeatedly volunteered their time and effort to help several nonprofit organizations and have a reputation for providing timely and quality service to their pro bono clients.

For these reasons, CLR is proud to recognize Christopher Ballard and Christopher Dine as its Volunteers of the Quarter.

From the Director

Dear Friend of Community Legal Resources,

2005 has already been an exciting year for us. We've taken on new policy initiatives and have pushed the program to serve more nonprofits throughout the state in ways we hadn't previously. I am happy to share some recent accomplishments as well as our plans for the coming months:

- We are thrilled to welcome Soni Mithani as our new Director of Legal Services. She replaces Alan Reiter who left after two years with us to take a job in private practice. Soni has 11 years experience as a litigator in private practice—most recently as a principal in the Ann Arbor office of Miller, Canfield, Paddock and Stone, P.L.C. Soni will provide a high level of direct legal service to our community development clients and will be expanding the number of law firms that participate in our program.

- As our Community Land Trust Project wraps up (see story back page), we are excited to begin work on an "Affordability Preservation Project" which will provide additional legal tools to nonprofit groups developing housing in our state. A team of legal experts will be empanelled over the coming months and the results of their work shared widely via our website and this newsletter.
- We are developing a number of signature projects to involve new law firms and in-house counsel offices in the work of our nonprofit clients. Look for an announcement soon of the "Sound Contracts" Project being developed in conjunction with the legal department at the General Motors Corporation.

- Finally, we are grateful for recent financial gifts and grants that allow us to expand this important work in difficult times for all nonprofits. Thanks to the law firms and lawyers cited throughout this newsletter who continue to contribute both time and money to our program; to the Local Initiatives Support Corporation for a major grant to continue and grow our land policy work; and to the Michigan State Housing Development Authority for recognizing the need for focused attention on legal challenges facing the housing industry.

Our best for a productive and enjoyable summer. Thanks again for your support of CLR.

Angela Zemboj

CLR named "Community Economic Development Advocate of the Year"

Community Legal Resources is proud to have received this year's Community Economic Development Advocate of the Year Award from the Community Economic Development Association of Michigan (CEDAM), the state trade association for non-profit community development corporations (CDCs). The award was presented during the 2005 Michigan Conference on Affordable Housing in May which attracts over a thousand nonprofit housing developers, their supporters



and funders and others interested in advancing affordable housing throughout the state. Community Legal Resources was recognized particularly for our work over the past year on public policy issues important to CDCs, including land banking, preserving affordability and the use of tax credits. CLR's Director of Policy Projects, Katy Locker, has been largely responsible for this work.

Tony Lentych, CEDAM's Executive Director, said that the CEDAM Board of Directors "was unanimous in its support to recognize CLR for its commitment to, and quality of service on behalf of, our membership. As noted by our Board President, Linda Smith of U-SNAP-BAC in Detroit, 'recognizing CLR for their contributions to our industry is long overdue!'"

Legal Update

By Michael Groebe, Clark Hill PLC

How to Hire an Employee and Not Get Sued

In today's economy, it is more important than ever to hire the right employees and establish the right employment relationship in the beginning. To accomplish both goals, employers must have their houses in order prior to recruiting new employees. Well before a prospective employee walks through the door, employers should post required workplace notices such as those mandated by the EEOC, FLSA and OSHA, as well as prepare standard human resources documents such as applications, employee handbooks/manuals and tax forms. Additionally, employers should create job descriptions for the positions they are attempting to fill. By determining the exact requirements and job duties of a given position, employers will have a better chance of identifying the applicant who best meets their needs.

Employers should use the application process to find out as much as they can about individual applicants. Applications can provide important

information regarding the applicant's skills, experience, education, and past employment. Employers can also use the application process to establish the employment relationship such as providing an at-will statement or referencing drug and alcohol testing if applicable.

While applications can provide necessary information, employers must be careful not to make unlawful inquiries of prospective applicants. Employers should familiarize themselves with Equal Employment Opportunity principles as well as the Michigan Department of Civil Rights pre-employment inquiry guide.

By identifying the right employees and establishing the right employment relationship, employers may be able to avoid potential problems in the future.

Employers should familiarize themselves with Equal Employment Opportunity principles as well as the Michigan Department of Civil Rights pre-employment inquiry guide.

Proactive employers are well advised to consult with legal counsel prior to undertaking any steps toward hiring employees to ensure compliance with all state and federal laws governing employment in their particular company.

CLR volunteer attorney Michael Groebe is an associate with Clark Hill's Detroit office, where he focuses on employment law.

Organizations interested in obtaining more information about the proper scope of pre-employment inquiries may also want to review (as suggested) the State of Michigan Department of Civil Rights' Pre-Employment Inquiry Guide located at www.michigan.gov/documents/pre-employment_inquiry_guide_13019_7.pdf, or contacting CLR for more assistance.

Advisory Council named to assist CLR staff, board

We have convened an Advisory Council of 30 community leaders, attorneys, nonprofit housing developers and others to assist the CLR board and staff in developing new program initiatives and ensuring program success in Michigan communities. Thank you to each of the following members who have agreed to serve for the 2005 – 2007 term:

Mary Banks

Deputy Director

Northwest Detroit Neighborhood Development

Chris Bray

Housing Director

Detroit Catholic Pastoral Alliance

Bettie Buss

Director of Policy Projects

Detroit Renaissance

Peggy Costello

Member

Dykema Gossett PLLC

Maggie DeSantis

Executive Director

Warren/Conner Development Coalition

Margi Dewar

Professor of Urban and Regional Planning
UM College of Architecture and Urban Planning

Christopher Dine

Partner

Bodman LLP

Mary Fowlie

Vice-President for Regulatory Affairs/CRA
Standard Federal Bank

Stacy Fox

Chair

Michigan Land Bank Fast Track Authority

Mark Gordon

Dean

University of Detroit-Mercy School of Law

Louise Guyton

Vice-President, Corporate CRA

Comerica Bank

Gary Heidel

Director of Program Policy and Market Research

Michigan State Housing Development Authority

Joel Kellman

Member

Dykema Gossett PLLC

Debra Kuptz

Managing Director and Chief Marketing Officer

Alix Partners LLC

Cathy LaMont

President

LaMont Title Corporation

Tony Lentych

Executive Director

Community Economic Development Association of Michigan

Cyril Moscow

Partner

Honigman Miller Schwartz and Cohn LLP

Vince Murray

Executive Director

Bagley Housing Association

Thomas S. Nowinski

Member

Clark Hill PLC

Meghan O'Meara

Strategic Marketing Manager

Detroit Newspapers

Dennis Quinn

Director of SE MI Operations

Great Lakes Capital Fund

Roy Richardson

President

Richardson Public Relations

Jack Schwab

Vice-President

Bank One

Dan Share

Senior Member

Barris, Sott, Denn & Driker P.L.L.C.

Linda Smith

Executive Director

U-SNAP-BAC Nonprofit Housing Corporation

Kathleen Wendler

Executive Director

Southwest Detroit Business Association

Donna Williams

Chair

Community Development Advocates of Detroit

Frank Wu

Dean

Wayne State University School of Law

Special Thanks!

To the **American Bar Association Center for Pro Bono** for providing a scholarship for Angie Zemboy to attend the 2005 Equal Justice Conference in Austin, TX and present on best practices and how to develop successful partnerships in business law pro bono.

To the **MASCO Corporation Fund** for underwriting publication of CLR's Community Land Trust Project written materials which are also available at www.clronline.org/clt (see article back page).

To **Honigman Miller Schwartz and Cohn LLP** for donating a speakerphone to CLR's library and conference room.

To the **Great Lakes Capital Fund** for sponsoring Katy Locker and Angie Zemboy's participation in Habitat for Humanity's 2005 Jimmy Carter Work Project in Detroit.

Honigman Miller Schwartz and Cohn, LLP Assists Coalition on Temporary Shelter to Build Supportive Housing in Detroit

When the Coalition on Temporary Shelter (COTS) purchased a 56-unit apartment complex in Detroit's Barton-McFarland neighborhood with the intent of rehabilitating the units and establishing permanent supportive housing to aid in the fight to end homelessness, it never expected it would be forced to engage in a legal battle in order to develop the housing. Thankfully, Honigman lawyer Norman Hyman stepped in to help.

Hyman was originally introduced to COTS through CLR and was retained by COTS to help obtain City of Detroit approval for a loan transaction concerning the supportive housing development at Wyoming and Joy Roads in Detroit. Several cities have developed supportive housing facilities as a long-term solution to end homelessness. According to the Corporation for Supportive Housing, supportive and transitional housing creates an average annual savings in the use of public services of over \$16,000 per housing unit due to reduced hospitalizations, incarcerations and shelter costs. Supportive housing has also been shown to improve neighborhood safety and beautification, which stabilizes communities and property values. Those who rely on supportive housing also experience reduced health care costs, higher earned income, a decrease in mental illness symptoms and reduced rates of substance abuse.

The City ultimately approved the loan transaction, but in the interim, a neighborhood association filed suit against COTS. The suit alleged that COTS had violated a Detroit zoning



Cheryl Johnson and Norman Hyman stand in front of Buersmeyer's Manor

ordinance by rehabilitating the complex to provide supportive housing.

COTS turned to Hyman for an estimate on how much it would cost for him to represent the organization in the litigation. Hyman provided the estimate, but later contacted COTS and notified the organization that he had secured the firm's approval to handle the litigation on a pro bono basis.

COTS Chief Executive Officer Cheryl Johnson was impressed with the way Hyman handled the litigation. According to Johnson, Hyman, who was always professional and diligent in

his representation of the organization, treated COTS no differently than a paying customer. She was pleasantly surprised at how attentive he was to the case.

Due to Hyman's efforts, COTS was able to persevere and it celebrated the completion of Buersmeyer's Manor, a 36-unit supportive housing facility on June 15. With this facility, COTS is able to provide the stability of housing to scores of Detroit residents who can have their personal needs met while they become members of a neighborhood community.

Hyman states that even though his representation of COTS went beyond the original scope of his pro bono retention through CLR, he has no regrets. His work with COTS was a "labor of love" and he believes he was meeting the obligation we all have to ensure that there is affordable housing available to everyone.

NOTE: Despite its limited budget, COTS is a valued supporter of the CLR mission, having made a financial contribution to "assist with the provision of legal services to deserving clients" based on the "invaluable assistance" CLR provided to COTS in connection with the Wyoming-Joy housing development. CLR thanks COTS for this recognition and support.

Attorneys at Barris Sott Denn & Driker, P.L.L.C. Aid Community Groups in Preserving Economic Development Efforts in Southwest Detroit



On June 14, 2005, lawyers Daniel Share and Tiffany Robinson from Barris Sott

Denn & Driker filed an amicus brief in the Michigan Court of Appeals in a case originally brought by the City of Detroit against the Detroit International Bridge Company (DIBC). Share and Robinson filed the brief on behalf of several groups including Bagley Housing Association, Bridge Watch Detroit, Mexicantown Community Development Corporation, Ste. Anne's Catholic Church, Southwest Detroit Business Association, Inc. and People's

Community Services of Metropolitan Detroit. These community organizations banded together, seeking to overturn a Wayne County Circuit Court decision concluding that (1) the Detroit International Bridge Company (DIBC), a private for-profit company, is a federal instrumentality performing federal functions and (2) City of Detroit zoning ordinances interfered with the DIBC's performance of these federal functions and were therefore, pre-empted under federal law. In short, the Circuit Court concluded that the DIBC is not subject to the City's zoning ordinances. The

community groups argued that the Circuit Court decision was erroneous and presented long-term, adverse consequences for communities throughout the State of Michigan insofar as the decision strips local governments of their well-established powers, limits the ability of these governments to regulate private companies operating bridges at international border crossings and permits these companies to operate their businesses in a manner that could adversely affect community residents and businesses. A decision in the case is expected in the coming months.

Community Land Trust Project Comes to a Successful End, Leveraging More Than \$200,000 in Volunteer Attorney Time

Community Legal Resources has completed its year-long Community Land Trust Project. The CLR CLT Project was presented at the 2005 Michigan Conference on Affordable Housing and the products of the CLR CLT Project are now available at www.clronline.org/CLT.

Tools available at the site include:

Sample CLT Ground Lease, Sample CLT Bylaws, Primer for Local Officials, Primer for Financial Institutions, Primer for Local Assessors, Primer



for Title Companies and Homebuyer's Guide to CLTs.

The CLR CLT Project was sponsored in large part by the Michigan State Housing Development Authority. CLR looks forward to a continued partnership with MSHDA. Watch this newsletter for announcement of CLR's 2005-2006 Affordability Preservation Project.

Thanks to all the attorneys who participated on the CLT Project: Randy Awdish & Vicki Harding, Pepper Hamilton LLP; Christopher Ballard

& Randy Perry, Bodman LLP; Jane Forbes & Brian Page, Dykema Gossett PLLC; Debra Geroux, Butzel Long; Jill Kometh & Mitch Meisner, Honigman Miller Schwartz and Cohn LLP; Cathy LaMont, LaMont Title Corporation; Julius L. Loeser & Glen Zatz, Comerica Bank; Will Moseng, MSHDA; Thomas Nowinski, Clark Hill PLC; and Noam Raz & Jim Rose, Jaffe Raitt Heuer & Weiss, PC. We conservatively estimate that more than \$200,000 in pro bono time was collectively contributed by the Project's attorney volunteers and their firms/corporations.

Community Legal Resources is a joint project of Michigan Legal Services and the Pro Bono Committee of the Business Law Section of the American Bar Association working in conjunction with the Michigan Litigation Assistance Partnership Program.

Our mission is to foster pro bono legal representation for unfulfilled legal needs of nonprofit community organizations in Michigan that serve low-income individuals and communities, with an emphasis on community economic development activities.

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Who we are...



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