

A Publication of Community Legal Resources

Legal appeal saves thousands of dollars for substance abuse treatment center

In the Spring of 2001, Community Legal Resources was approached by the staff of the Downriver Alano Club, a nonprofit organization that provides support services, counseling, and fellowship opportunities for recovering alcoholics in the downriver communities south of Detroit. The nonprofit had recently received a bill from the City of Lincoln Park assessing tens of thousands of dollars for street paving services, a charge which would have bankrupted the organization which survives on charitable contributions and membership dues. After the organization's appeals to the City were unsuccessful in waiving the assessment, the group sought legal help.

A year and a half and several hundred volunteer hours later, lawyers from Barris, Sott, Denn & Driker finally reached a settlement agreement in litigation filed against the City of Lincoln Park to set aside the assessment. The assessment was deemed unreasonable and was not only reduced to an amount the nonprofit could afford, payments were structured on very favorable terms. The attorneys also are completing paperwork to obtain a total real estate tax exemption for Downriver Alano in the future. Bravo to Barris, Sott attorneys and law clerks who worked on this complex and time-consuming project: Daniel Share, Matthew Millikin, David Bargamian, Michelle Loggins and Charles Marchand.

Community Legal Resources client organization dedicates new housing development

On August 27th, Community Legal Resources client organization Jefferson Avenue Housing Development Corporation, nonprofit arm of the Jefferson Avenue Presbyterian Church, dedicated the first five of what will be 300 new and 100 rehabilitated single-family homes in the East Village neighborhood of Detroit's eastside. The new market rate homes will range from 1,400 to 2,100 square feet and have been carefully designed to compliment existing 19th and early 20th century

structures in the neighborhood. The existing houses to be rehabilitated will be sold to low-income, primarily first-time homebuyers. Detroit Mayor Kwame Kilpatrick attended the dedication ceremony, where he praised the church and the nonprofit for setting an example of how to turn Detroit's neighborhoods into thriving, attractive places to raise children.

Community Legal Resources has been involved with the project since 1999 when attorney Todd Miller, then with the Detroit firm Miller, Canfield, Paddock and Stone, worked with the nonprofit to develop a joint venture agreement with project partners. Since then, Miller Canfield attorneys Bill Beach and Mark Schrupp have assisted with everything from property acquisition and contract negotiation to project financing.



New construction in Detroit's East Village

Executive Director Steve Tobocman wins State House primary, to leave Community Legal Resources in January

The staff, board, and friends of Community Legal Resources wish to congratulate Steve Tobocman, our Executive Director, on winning the August 6th Democratic primary in Michigan's 12th District state representative race (Southwest Detroit).



Because the district is 95 percent Democratic, Steve is virtually guaranteed a win in November's general election and will leave Community Legal

Resources in January to take his new post in Lansing.

To unseat the incumbent and win the election, Steve ran a strong grassroots campaign over the summer, knocking on over 7,500 doors, fielding citizen complaints about neighborhood issues, and effectively communicating his

message of community development and "Results for Everyone." Although we will all miss him terribly, we are thrilled for Steve and for the residents of Southwest Detroit who have gained a passionate, committed advocate for their community at the state level.

Sally Schwartz, our Board Chair, wanted to comment on Steve's departure as Executive Director of Community Legal Resources:

Steve Tobocman had an idea. He thought that Detroit and Michigan should have an organization that made it possible for community groups serving low-income areas to have top quality legal representation – free. Some of us who were already working with the concept nationally laughed a little at this young man with such a big idea. But he collected a group of people who thought it was a good idea, if a little unlikely, and this Spring he was able to announce the one millionth dollar of free legal services provided to Community Legal Resources' clients. He took over as Executive Director a year ago and thoroughly reorganized the office, both

personnel and procedures, freeing Angie Zembo to bring in more and more clients and working with Mitzy Sharp Futro to begin an impressive series of educational activities.

But Steve had another idea. He wanted to serve the people of Southwest Detroit in the Michigan Legislature. People told me not to worry, there was an incumbent. I said, "But it's Steve." Steve tackled the election with the same energy and savvy that he brought to Community Legal Resources. He created the same kind of enthusiasm among his supporters. And he won.

So now we're facing the reality that Steve will be leaving us in January – except for sitting on our Board. We'll have his advice and imagination, but not his energy and time. We're very grateful for all he has done for Community Legal Resources, and we look forward to seeing what kind of ideas he'll have for the State of Michigan. I know that all of the Board members, Advisory Board members, employees, volunteers and friends of CLR wish him the very best in his new arena.

Help contribute to the work of Community Legal Resources!

In this edition of the *CLR News*, we have included a pledge form and return envelope and ask readers to consider giving to Community Legal Resources. Gifts to Community Legal Resources are tax-deductible and can

qualify for a Michigan tax credit. They help us perform the critical outreach, screening, and education functions that make free legal services to nonprofit organizations possible and effective. Please join us in building communities

across the state with your generous gift. Contributors whose gifts are received before November 18th will be publicly recognized at our 4th Annual Recognition Event on November 21st (see story on page 4).

Spotlight on...9 in a Million

Inspired by the Million Man March, Pontiac men vow to change their community

When Pontiac resident Greg Williamson traveled to Washington D.C. in 1995 with eight other men to attend the Million Man March, he had no idea it would be the start of a lifelong commitment to bringing positive change to his community. Inspired by the spirit

of unity, mutual respect, and personal responsibility at the gathering, Greg and his fellow marchers returned to Pontiac determined to spread the message of the march. They began mentoring 4th and 5th grade boys at Herrington Elementary School, providing

lessons in African-American history, personal responsibility, nonviolent conflict resolution and drug and alcohol avoidance. They steer the boys into constructive programs as they enter middle school, take them on field

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Spotlight on...9 in a Million

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trips, get their parents registered to vote, and work to maintain contact with them over the years. Calling themselves “9 in a Million,” they are a completely volunteer organization, with members contributing the limited funds needed to operate. They are now in their 6th year of operation.

Recently, Greg came to Community Legal Resources for help in formalizing their volunteer effort so the group can raise funds to help more kids in the Pontiac schools. Colleen Heibeck, an associate with the law firm of Howard and Howard, volunteered to help Greg draft Articles of Incorporation,

organizational bylaws and an application for recognition of the group’s tax-exempt status. Once this is complete, 9 in a Million will be able to tap corporate and foundation contributions and provide liability protections for volunteers and mentors.

Community Legal Resources tackles title clearance

Ask nonprofit developers to identify the biggest barrier to rebuilding their neighborhoods and many would begin talking about the difficulty in obtaining marketable title to property. Whether a developer is rehabilitating a vacant house or commercial structure or building new homes or stores, they usually require financing. Lenders require that the legal title to the property be insured. This insurance is usually provided by a title company that specializes in researching property ownership.

In many older urban areas across Michigan, property title records can contain a complex web of legal interests and claims. Before they can obtain the title insurance needed to secure

financing, developers often need to extinguish other claims and interests on the property. The process of “clearing” title can involve numerous actions and strategies. It can be costly and take many months.

Over the past four years, volunteer attorneys have helped several CLR nonprofit clients file “quiet title” actions, appeals to a court to declare the nonprofit organization the legal owner of the property. These legal appeals often take several months. In many cases, a “quiet title” action is not the appropriate strategy to obtain clean title, either because there may be a simpler way to achieve the same result or because litigation will simply not extinguish all the interests.

Based upon the volume of requests and amount of misinformation regarding legal title issues, Community Legal Resources is publishing a manual to guide the nonprofit developer through the title clearance process. The manual will explain the concepts behind title and title clearance and should empower the nonprofit developer to serve as the chief strategist to obtain “clear” title and prepare a property for redevelopment.

A first draft of the manual was completed in September. A volunteer team of legal experts, including lawyers at title companies and law firms, will be revising the manual. Final publication is slated for the end of 2002.

Community Legal Resources volunteer Peggy Costello wins statewide pro bono award, marking 3rd Community Legal Resources winner

Margaret “Peggy” Costello, of the Detroit law firm Dykema Gossett PLLC, has been selected as the winner of the State Bar of Michigan’s 2002 John W. Cumiskey Pro Bono Award. The award, given to an individual who demonstrates outstanding commitment to pro bono issues, was presented to Peggy at the State Bar’s September 27th meeting in Grand Rapids.

Peggy has been a valued volunteer and supporter of Community Legal Resources since we began in 1998.

As her firm’s pro bono coordinator, Peggy has matched our nonprofit clients with nearly 65 volunteer lawyers who have generated an estimated quarter million dollars in free legal services. She has taken on a number of pro bono projects herself, and works hard to find the best way to address complex legal issues faced by nonprofit organizations. In addition, Peggy has been an annual financial contributor to CLR and sits on our Finance committee, helping us assure sustainable funding

in the years to come. Our sincerest thanks and congratulations to Peggy on behalf of the nonprofit organizations and communities touched by her extraordinary commitment.

Peggy’s award marks the third occasion that a CLR volunteer has won the award since our inception in 1998. Other winners include Joel Kellman of Dykema Gossett and Steve Cernak of General Motors.

Nonprofit assessment pilot project underway

Throughout the summer, Community Legal Resources collaborated with Accounting Aid Society, Detroit Executive Service Corps, Michigan Nonprofit Association and United Way Community Services to provide organizational assessments to a number of Detroit-area nonprofits through an innovative pilot project. The collaboration, known as the Southeast Michigan Nonprofit Continuum, seeks to provide comprehensive assessment, planning and technical assistance services to participating nonprofits. Several Community Legal Resources volunteer lawyers are participating in the project, including Richard Strenger of Butzel Long; Derek Adolf of Jaffe, Raitt, Heuer & Weiss; Vicki Harding of Pepper Hamilton; and Ben Jeffers, Rachel Roth and David Barnes of Dykema Gossett. Early feedback from both participants and volunteers has been very positive, with a formal evaluation scheduled for later this year.

For more information contact Mitzy Sharp Futro, Community Legal Resources' staff attorney who is coordinating this and other educational initiatives for nonprofits and lawyers, at (313) 964-4130 or msharpfutro@michiganlegal.org.

Volunteers, supporters to be recognized November 21st

For the past four years, Community Legal Resources has been serving the legal needs of nonprofit organizations that are rebuilding neighborhoods. In that time, countless lawyers, law firms and donors have contributed to the success of our program and the revitalization of Detroit. On Thursday,

November 21, Detroit Mayor Kwame Kilpatrick will join us in acknowledging their efforts. From 5:30 – 7:00 p.m., we invite you to join us for cocktails and appetizers at the Ferry Street Inn, located on Ferry Street between Woodward and John R in Detroit. We will acknowledge the lawyers, law

firms, nonprofit clients, and donors, who contribute to the revitalization of Detroit. There is no charge for the event, but we would appreciate RSVPs at (313) 964-4130 or by email at kwashington@michiganlegal.org.

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.

Contact us at:

220 Bagley Avenue
Suite 900
Detroit, MI 48226
313.964.4130 fax: 313.964.1192
www.clronline.org
clr@michiganlegal.org

Who we are...



Connecting Lawyers and Communities

Michigan Legal Services
220 Bagley Avenue
Suite 900
Detroit, MI 48226

NONPROFIT ORG
U.S. POSTAGE PAID
DETROIT, MI
PERMIT NO. 2607