

PRESS RELEASE

Response to the press release regarding the settlement of Amber Reineck House (ARH) vs City of Howell

The City of Howell recently settled the case of Amber Reineck House (ARH) vs the City of Howell for the sum total of \$750,000. This case was started in the U.S. District Court for the Eastern District of Michigan. Contrary to representation by the plaintiffs, including ARH and Fair Housing Center for Southeast and Mid-Michigan, and their attorney, such is not a victory. This matter started on April 9, 2018, when Courtney Atsalakis filed a special land use application with the City of Howell. The City had no ordinance for such an application. The City started to work on an ordinance to allow such uses. On June 11, 2018, Ms. Atsalakis withdrew her application prior to a Planning Commission meeting on that date. At the time of the application, there were nine recovery facilities in the City of Howell alone, but unlike the type of facility requested by Ms. Atsalakis.

The City of Howell passed a resolution to deal with this issue by placing a moratorium on any application for this type of special land use on July 23, 2018. Work commenced on a new ordinance by legal counsel and planning consultants for the City. Various drafts of the Ordinances were discussed before the Planning Commission in 2019. Ms. Atsalakis wanted to file a new application on September 27, 2019, which was not accepted by the City due to the Moratorium and continued work on the ordinances. At the Planning Commission meeting on January 15, 2020 (prior to the lawsuit being filed on January 27, 2020), a representative of the Fair Housing Center appeared, objected to the form of the proposed ordinance, and informed the Planning Commission that the representative would submit such objections and thoughts in writing to the Planning Commission. No written communication was received from the representative of the Center.

The City of Howell and its legal team remained confident that the City's case was strongly supported by the facts of the case. The U.S. District Court had dismissed, prior to settlement negotiations, 5 of the 9 claims as set forth in the Plaintiff's complaint. Most importantly, these dismissals upheld the Ordinance enacted by the City, contrary to the Plaintiff's position that such ordinances were unconstitutional. In point of fact, Ms. Atsalakis was able to open a recovery house on Michigan Avenue in the City of Howell under the City's current ordinance, while the lawsuit was still ongoing. The original house purchased by Ms. Atsalakis on Walnut Street in the City could also have been used for an additional recovery house. Instead, she chose to sell the same for a substantial profit.

It is unfortunate the City must address the misleading and inaccurate press release regarding the ARH settlement. This case was settled without trial, with the City not admitting to any liability and settling a disputed claim. Both parties negotiated in good faith after almost 3 years of litigation and discovery, as legal fees continued to escalate on both sides. The City believes that it was never discriminatory during any time in dealing with Ms. Atsalakis.

It was and remains, the City of Howell's priority to ensure that these types of recovery facilities are maintained and operated in a manner that provides adequate and safe space for people to continue their journey toward a successful recovery. The reality is not every person that may open a facility, such as the ARH, has the best of intentions and may not provide a space that is conducive, but rather detrimental, to someone's recovery.

The City of Howell will continue to work with ARH and other similar facilities in their efforts to assist the safe and healthy recovery of women ravaged by this addiction.

Ervin J Suida
Howell City Manager
June 21, 2023