STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF MONROE

38TH JUDICIAL CIRCUIT

BEDFORD PARTNERS, LLC, a Michigan Limited Liability Company

Plaintiff,

File No. 05-20841-CK

V

BEDFORD TOWNSHIP, a Michigan Municipal Corporation,

Defendant.

EXCERPT OF NON-JURY TRIAL COURT'S DECISION

BEFORE: HONORABLE MICHAEL W. LaBEAU, Circuit Judge.

Monroe, Michigan - February 28, 2007.

APPEARANCES:

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TABLE OF CONTENTS

PAGE

WITNESSES - PLAINTIFFS:

NONE

WITNESSES - DEFENDANT:

EXHIBITS

None presented

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Monroe, Michigan

Wednesday, February 28, 2007 - 4:00 p.m.

EXCERPT OF NON-JURY TRIAL - COURT'S DECISION

THE COURT: All right, the Court has considered all the testimony and reviewed the pertinent exhibits and will render a decision at this time.

The -- the Plaintiff seeks to rezone approximately 78 acres that are zoned agricultural.

Two of the parcels contain approximately 18 acres and are owned in fee simple by the Plaintiffs. One parcel contains approximately 60 acres and is being purchased on a land contract by the Plaintiffs.

The Plaintiff also purchased an 80-acre parcel that is north of the 60-acre parcel, and that 80-acre parcel is zoned residential. I believe it's R-2A.

The Plaintiff approached the Defendant Township with a rezoning request and a proposal to develop all four parcels together to contain approximately 450 units or building sites, and these four parcels are contiguous.

This case deals with actually an addition of 246 units that the Plaintiff has because they -- because they already have -- or that the Plaintiff requests to be rezoned because they already have 204 in the 80-acre parcel.

When the Plaintiffs purchased these parcels they

were aware of the zoning classifications.

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Although the north parcel is zoned residential, it and the 60-acre agricultural parcel have been farmed by the Albring family for many years and they are still being farmed by them at this time under an agreement with the Plaintiffs.

Immediately north of the residential parcel, that's the 80 acres, is Erie Road. The property direct -property directly across the street is zoned residential. I believe that is R-2A. To the west of -right -- to the west there is also residential property. the south and southwest of the 60-acre agricultural parcel is a development called Village Meadows, and that is Village Meadows rezoned from agricultural was If I recall correctly it was around 2002. residential. The master plan was adopted on June 19th, 2002 and Village Meadows was rezoned approximately 30 days, I believe the testimony was, before that, but at -- but while the master plan was in the process of being adopted as it exists today.

Directly east of the 60-acre parcel is residential zoning, the entire east portion of it.

Approximately three-quarters of the 60-acre parcel is surrounded by residentially zoned land, which includes the 80-acre parcel that I've already mentioned

that is owned by the Plaintiffs, and a little less than half of the 18-acre parcel is surrounded by residential land, which also includes the 80 acres.

Now other than the -- and this comes from the Planning Commission's analysis of staff. Other than the parcels that are in issue here, only about 90 acres of the 640 remain as farm land.

Now the Township Planning Commission and the Monroe County Planning Commission both recommended denial. Although with some reservations the Monroe County Planning staff recommended granting the rezoning and said it would be a logical extension and compatible with surrounding areas.

The staff also pointed out that the Plaintiffs could build 300 units on the 80-acre parcel that is zoned residential at this time, and that with the volume -- with the voluntarily submitted conditions that the Plaintiffs have submitted here, the net yield would only be an additional 150 units.

Now infrastructure was a big issue here. First as to schools. The evidence supports that this project would benefit the schools financially with increased enrollment that results in more state money. While there is always an additional cost, there's been no evidence submitted that it would be a negative result.

The Court can take judicial notice of the fact that schools have a certain day every year that they seek highest enrollment, and -- and the reason for that is they

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get more money.

The testimony and evidence submitted supports that the district could accommodate an additional 225 students, which was the projected amount in this entire area. However, there were other projects going on in the Township but there is no evidence as to any effect on the school, and no one testified from the school.

As to sewer and water, there's no evidence that the water is a problem and it is available. There is some dispute regarding the sewers. Plaintiff's engineer says would little effect that it have on the system. Defendant's supervisor says he -- he is concerned when considering flow capacity and peak times during rains, and the Plaintiff's engineer didn't consider that rain type of situation.

However, it's clear that from the County's engineer that the MDEQ has final say. If it was the -if it has the capacity then they will approve the project. If it doesn't have the capacity they won't. So everyone -- all of the witnesses somewhat speculated as to capacity, lack of capacity, plenty of capacity, things of makes this the MDEQ not such that nature. But

significant issue. Also -- that is the MDEQ having to approve it. Also, new homes are charged for sewer use, so it's not like they come in and get free sewers.

The next infrastructure issue is fire service. It's -- it's clear that the fire service is stretched thin, however I note that there was testimony that there is a millage, a fire millage. Every taxpayer pays the fire millage, and that would include new residents, so arguably the extra revenue would -- would help offset any problems with fire service.

Again, the Court also has to consider the fact that this -- while it's argued that we're talking about 450 units, we really are not as far as what would be rezoned. We're not talking about that.

So there's no evidence that -- that the -- the fire service could not support these additional units, and there has been -- and no one testified from the fire department as to that aspect.

As to police, again it's -- it -- it's -- the Court's satisfied that they are -- are concerned.

The Township has a millage for additional deputies which the Supervisor testified about. I think he said there's gonna be four additional deputies.

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Again, 450 units would mean more money for the millage, but also more demand on the police services. But I would also note that the -- the police services are not only covered by -- by the Township and the millage. There's -- there was -there are exhibits that indicate the Michigan State Police does patrol the area and -the Court is aware that -- that there -- there was evidence Ι believe that the Sheriff's Department does. but nevertheless the Sheriff's Department is part of the contract, so -- I also would note that no law enforcement witnesses testified here. The Sheriff was not brought in here to say, we can't handle an additional 240-some units, or whatever it is, on top of the 204 that are -- are permitted -- or that are approved, and possibly 300.

The roads, this seems to be the most significant impact here. Erie Road to the north is in bad shape, there's no dispute about that.

Temperance Road to the south, according to the Supervisor, is in good condition and when asked about the Village Meadows subdivision if that was a concern, I believe his testimony was something to the effect that that he believed the road had been redone recently before that rezoning. The -- the -- the evidence -- there's no evidence which road would be used the most.

I would note that the 204 units that are already

allowed are close to Erie Road. If the rezoning is denied, all 204 of those units are going to use Erie Road. If the rezoning is denied and the Plaintiffs put in more units, which they're allowed to do under the zoning, according to the testimony all of those additional units would use Erie Road.

Now close to that number, 240-some, or -- or -- excuse me -- 240-some of the units, if granted, the rezoning is granted, that most of those units are as close or closer -- would be as close or closer to Temperance Road. Of course traffic would increase, but not as significantly as argued by the Defendants, because some of that traffic would be on Temperance Road as opposed to Erie Road, and Erie Road is the only testimony I heard about any roads -- any roads in -- that are related to this project being in poor shape.

Also, Plaintiffs, part of their proposal is to con -- is to contribute to a portion of the road upgrade that would be needed for the -- the entrance to the subdivision.

The proposed rezoning is not in conflict with surrounding land uses for the reasons that I've already stated.

The master plan designates this area as agricultural and it is zoned agricultural, which allows

Plaintiff to build five lots. Now they could build approximately, it's somewhere between 11 and 15 units on this property as is.

Lots of this size would not be compatible with the surrounding area and it would be impractical for the Plaintiff to do that, economically and -- and otherwise.

Defendants refer to the master plan as one of the main concerns for denial, not the only concern, but one of the main concerns, and Defendants argue that to grant this request means that they can never go against the master plan without being subjected to a new rezoning request, and that's in reference to Village Meadows being -- being raised as a -- as a big issue here and having impact on the Plaintiff's property.

Now I disagree with the Defendants because this is a unique situation partially brought on by the rezoning of Village Meadows, and even other parcels in this section, and I'm referring to other agricultural parcels in this section, do not have the same status as the Defendant's property, and while the Defendants had a good reason to rezone Village Meadows, and I'm not being critical of that, it's clear that the master plan is just a guide, but they still have to consider the ramifications on any other property by doing -- by going against the master plan, as they did with Village Meadows.

The master plan even indicates that conflicts are to be avoided between agriculture and residential property, and the Defendants have shown an inconsistency in relying on the master plan in part, or as they did in this case and not in other circumstances.

Now the law, there's -- there's -- there's not a great argument on the law here, but just to -- to make a record of it, as Plaintiff -- or excuse me -- Defendant correctly points out, the ordinances are presumed to be valid and constitutional. Plaintiffs bears the burden of proof on -- on the unconstitutionality claim, and the courts do not sit as super zoning commissions and are not concerned with the wisdom of municipal determinations.

Now the challenge on due process grounds contains a two-fold argument. First, that there is no reasonable governmental interest being advanced by the present zoning classification.

Now I've already indicated that I believe there was a -- there is a legitimate governmental interest, and I've already commented on that on the directed verdict motion and so I -- I won't add anything to that.

And the second argument or issue to consider is that an ordinance may be unreasonable because of the purely arbitrary, capricious and unfounded exclusion of other types of legitimate land use from the area in question, and

that gets into, as -- as Mr. Landry argued, the challenger has the burden of proving that the ordinance is an arbitrary and unreasonable restriction upon the owner's use of the property. That the provision in question is an arbitrary fiat, a whimsical ipse dixit, and that there is not room for a legitimate difference of opinion concerning its reasonableness.

Now the -- the Defendant gave various reasons for denying the request for rezoning, most of which I've addressed already, but I'll just kind of go through those.

The first reason was the requests are not consistent with the master plan which has been recently revised.

The Court's already commented about that so I don't think I need to say it further, other than a master plan as everybody seems to want to point out is just a guide here, at least the Defendant does.

The next thing is residential uses allowed on the subject property by current zoning classification. The agricultural use promoted by the current zoning ordinance and master plan has a reasonable use for the subject property is a use that has been in effect for years and is a use that advances, and/or is rationally related to a legitimate government interest.

The question here is, is it a reasonable use

after considering all the other property around -- around the property in question, including the Village Meadows, and I'm gonna comment on that in a minute.

The next three things deal with the Township Planning Commission --Planning Consultant, Planning Commission and the Monroe Planning Commission recommending that the rezoning be denied, and then the C-1 rezoning would interfere with other issues, which that's withdrawn, so that's not really here in issue. And it says in fact the present use of the lands and surrounding area has for the most part remained a viable agricultural use.

For the reasons that I've already given here, I disagree with that, that that is -- that is not the -- the evidence does not support that.

The size and scope of any projects that would result from the rezoning would adversely impact adjacent uses.

I've heard no evidence how it adversely impacts adjacent uses, other than possibly the argument on the roads I suppose, but I've already talked about that.

The uses permitted as a result of the rezonings would completely change the character of the neighborhood lands and uses, as well as -- as -- as well as the extent and added burden -- it just says as well as extent on added burden and infrastructure.

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Infrastructure I've already talked about, and that is a legitimate basis if -- if it -- if the facts support it. It doesn't change the character of neighboring lands at all. In fact it would conform to the character of the neighboring lands.

The next issue deals again with infrastructure and I've already commented on that as well. That would be a valid reason to deny zoning if the facts support it.

Agriculture use deserves equal protection and promotion by zoning.

Well we're not talking about equal protection anymore. That's been withdrawn.

Residential use as being proposed by the applicant is permitted under the current zoning and master plan designation, so no change in zoning is necessary for the lands being requested for residential zoning.

Again, I've already commented about that, that it is not -- is not practical and does not conform to the other zoning in the area, and they adopt all the reasons by the -- by the planning consultants and the like, and again because your planning consultant or planning commission recommends something doesn't mean that that's why you should do it, but it is something to consider. I'm not faulting you for considering it. That's why you have them there, to consider it.

Then there's a question about the railroad has issued a written objection to the rezonings. I don't believe that that came in, the railroad exhibit, but nevertheless I -- I haven't seen where that has any -- any application to the circumstances of this particular rezoning request.

The last thing is again redundant about infrastructure.

Now the -- the -- it all boils down to this; the Court has to determine whether this is arbitrary, capricious and an unfounded exclusion of other types of legitimate land use from the area in question, and I do find that it is. I find that there is not room for a legitimate difference of -- of -- of opinion. Just looking at the map, without considering anything else, would make one wonder how could they not rezone this property? But that isn't the only reason of course for this ruling.

For all these reasons I have -- I'm ruling for the Plaintiff in this matter, and find that the proposed -- that the proposed rezoning with the conditions that are being indicated by the Plaintiff should be allowed, and is allowed. And you can prepare an order, Ms. Bondy, or whoever, alright?

MS. BONDY: Yes.

(at 4:20 p.m., this portion of the proceedings

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concluded)

STATE OF MICHIGAN)

) SS

COUNTY OF MONROE)

I certify that this transcript, consisting of 16 pages, is a complete, true, and correct transcript, of the proceedings and testimony taken in this case, on February 28, 2007.

DATED: March 7, 2007

Carol A. O'Dell, (CER-5434)

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