Homeowners win damages

By David Olejarz Staff Writer

The Michigan Department of Transportation (MDOT) will pay at least \$1.8 million in total damages to 255 Macomb County homeowners whose properties were adversely affected by the construction of I-696 during the 1970s.

Homeowners in Warren, Center Line, Roseville and St. Clair Shores will receive awards ranging from \$2,200 to \$11,200, including interest, as compensation for noise and air pollution, loss of privacy and decreased market value of their homes.

The recent proposed judgment by Michigan Court of Claims Judge Carolyn Stell ends a 16-year class action lawsuit against MDOT filed by homeowners bordering the 10.3-mile freeway route from I-75 to I-94 in Macomb.

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Damages

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The plaintiffs can expect payments within a week after Stell formally enters the judgment at a hearing Dec. 20 in Lansing.

In all but two cases, only the present owner of the property is eligible for compensation.

"I think all in all, it's a fair resolution," says the homeowners' attorney, Jerome P. Pesick of Mason, Steinhardt & Jacobs in Southfield. "Obviously, it's been a long-running problem."

Pesick says MDOT will not appeal the judgment. MDOT attorneys could not be reached for comment Friday.

The homeowners filed an "inverse condemnation" suit in September 1974, claiming MDOT violated their homes' restrictive covenants in condemning their properties for freeway construction. Whenever private property is taken for a public purpose, the owner must be compensated under both the U.S. and Michigan Constitutions.

The homeowners prevailed when the case was tried before Stell in 1986. The remaining issue in dispute was how to determine the amount of damages for homeowners along the freeway and for those set back two or three homes from the border.

Stell has been criticized by Warren officials and homeowners for taking four years to render a decision on the compensation issue.

Under the proposed judgment, compensation was determined by the market value of the homes on July 21, 1971. Interest was paid at 5 percent annually from July 21, 1971 to July 8, 1984, and 12 percent compounded annually thereafter.

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One-third of the judgment will go toward attorney fees.

Homeowners who border the freeway will receive about \$11,200. Those in the second home from the freeway will receive about \$2,200.

Warren Councilman Louis Burdi, who was part of a three-member "I-696 subcommittee" that sought to guard homeowners' rights during freeway construction, says homeowners who have bordered the freeway since Sept. 1, 1973 also will have air conditioning and insulation installed at MDOT's expense to compensate for having to keep windows closed during the summer because of noise and air pollution.

MDOT began those installations two years ago, but was enjoined by court order until the case was resolved.

The case of I-696 subcommittee member Patricia Bill and her husband is a good example of the way in which freeway construction affected some homeowners.

The Bills' former home on Richard Drive in Warren once was third from the corner. When construction began, the first two homes were taken and the Bills found themselves only 32 feet from the service drive.

But the Bills retained their right to compensation when they sold their home over two years ago, and will share in the settlement.

"It was a lot of years, a lot of tension," says Patricia Bill.

Councilman Burdi hails Stell's announcement of compensation as "long overdue.

"These folks were treated very poorly," he says. "This probably is the best Christmas present they'll receive in 20 years."