CITY OF DETROIT MAYOR'S OFFICE Phone: 313•224•340 Fax: 313•224•4128 www.detroitmi.gov

June 11, 2012

Re: City of Detroit v State of Michigan, State of Michigan Department of Treasury, and Andy Dillon, State Treasurer, Michigan Court of Claims Case No. 1266-MK

Dear Corporation Counsel Crittendon:

By virtue of my authority as Mayor under the 2012 Charter of the City of Detroit (the "Charter"), I am directing you to withdraw the complaint filed by your office in the above-captioned matter. I would draw your attention to Charter Sec. 7.5-203, entitled "Civil Litigation," which reads in relevant part:

The Corporation Counsel shall prosecute all actions or proceedings to which the City is a party or in which the City has a legal interest, when directed to do so by the Mayor.

This provision makes it clear that civil proceedings to which the City is a party or in which the City has a legal interest may be brought only at the Mayor's direction.

I am aware of your opinion that you are authorized to file the above-captioned litigation by virtue of Charter Sec. 7.5-209, entitled "Enforcement of Charter," on account of language which says the Corporation Counsel shall take all reasonable actions to secure compliance with the Charter. As I have expressed both privately and publicly, I disagree with your opinion. Charter Sec. 7.5-209 authorizes Corporation Counsel only to enforce compliance with respect to City officials "or other persons subject to compliance with the Charter." As the State of Michigan and its instrumentalities are not subject to the Charter, Sec. 7.5-209 does not authorize your office to bring a judicial action in which the State is a party. Moreover the issue in dispute is a matter of State law, and not the Charter.

By taking this action you have exceeded your authority under the Charter and have put the City's financial stability at substantial risk of serious financial consequences. Since Charter Sec. 7.5-209 reaffirms your professional responsibility as attorney for the City, I remind you that you remain subject to the duty to minimize any adverse impacts on the City when you act. As we have discussed, and as confirmed in the letter dated June 7, 2012, from the Department of Treasury to CFO Martin, "the lawsuit will ... compromise numerous existing contracts and potential future contracts between the City and the State." These are serious consequences which I, as Mayor, wish to avoid so that we can move the City forward.

Since I disagree with your position, I have been forced to consult with outside legal experts in this matter in order to execute my duties, as authorized by the Charter. Since under the ethics rules you are not able to adequately represent my office on the subject of your opinion, it is necessary that I retain outside counsel in order to obtain independent advice.

Sincerely.

Dave Bing Mayor