

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:
City of Detroit, Michigan,

Debtor.

Chapter 9
Case No. 13-53846
Hon. Steven W. Rhodes

Order Denying Motion for Relief From Stay [Dkt. # 308]

On August 8, 2013, Michael Beydoun filed a motion for relief from the automatic stay. Beydoun has a judgment, currently pending on appeal before the Michigan Supreme Court, against the City relating to a traffic accident involving a City police car. Beydoun asserts that the City filed the bankruptcy petition to avoid his judgment in bad faith and that cause exists for relief from the stay so he can pursue collection on his judgment.

The City responds that allowing the continuation of actions such as this would undermine the protections of the automatic stay and jeopardize the City's efforts to restructure. Moreover, the City asserts that nothing in the motion establishes any bad faith or other cause in support of relief from the automatic stay.

The determination of whether to lift the automatic stay is left to the sound discretion of the Court. *In re Federated Dept. Stores, Inc.*, 328 F.3d 829, 836 (6th Cir. 2003) (citing *White v. White (In re White)*, 851 F.2d 170, 174 (6th Cir. 1988)).

Beydoun cites cases holding that in determining a debtor's good faith in filing a bankruptcy case, the totality of the circumstances must be considered. See *Laguna Assoc. Ltd. P'ship v. Aetna Cas. & Surety Co. (In re Laguna Assoc. Ltd. P'ship)*, 30 F.3d

United States Bankruptcy Judge