The city of Howell has agreed to pay a $750,000 settlement that ends a long-running housing discrimination lawsuit there.

The case centered around the city’s former temporary moratorium on new “group homes.” That ban was a direct result of resident complaints about a planned sober living house.

Courtney Atsalakis is the founder of that house. In 2018, she bought a home in a Howell neighborhood that she planned to use as a recovery space for women with substance abuse disorder. Atsalakis named it the Amber Reinick House, in honor of her late sister who died of a 2015 fentanyl overdose.
But the pushback from some neighbors was strong and immediate. “There’s this stigma of people that struggle with substance use disorders,” Atsalakis said. “They’re criminals. They’re going to bring crime into the neighborhood. There’ll be more drug use, there’s going to be prostitution, there’s going to be danger to the kids.”

Those neighbors made complaints to city officials, and in 2018 Howell put a 20-month ban on what it deemed “group homes,” including sober living homes. That drew the attention of housing advocates, including the Fair Housing Center of Southeast & Mid Michigan.

Pam Kisch, the Fair Housing Center’s Executive Director, said they initially hoped to reason with the city. She said the group sent Howell officials a letter in 2019, laying out why they believed the city had violated multiple state and federal laws.

“We said, ‘we think the moratorium is a violation of the Fair Housing Act,” Kisch recalled. “It’s a violation of the Michigan Persons with Disabilities Act, and it’s a violation of the Americans With Disabilities Act. And we suggest that you stop the moratorium and that you give them a reasonable accommodation. Most of this law has been settled for years and years and years.”

Kisch said she was surprised when the city stuck to its position. So in January 2020, the Center joined Atsalakis in filing a lawsuit that accused Howell city officials of illegally “obstructing” plans for the Amber Reinick House.

Kisch said community members who opposed the plan had every right to speak out, even if their fears were based on “stereotypes” of people with substance use disorders. “But when city officials start to take these discriminatory statements, and turn it into law and policy—that's where the illegality comes in,” she added.

The $750,000 settlement, finalized this week, “is the biggest settlement we’ve ever been involved in, and one of the biggest settlements for this kind of case in the Midwest,” Kisch said.

The city of Howell released a statement about the settlement on Wednesday. In it, City Manager Ervin Suida continued to dispute some of the lawsuit’s basic claims, and said Howell “remained confident that the City’s case was strongly supported by the facts of
"It is unfortunate the City must address the misleading and inaccurate press release regarding the ARH settlement," the statement continued. "This case was settled without trial, with the City not admitting to any liability and settling a disputed claim."

Suida went on to suggest that the original project was beset by other issues that concerned city officials, though he didn’t specify them.

"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," Suida said. "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."

Atsalakis called multiple elements of the city's statement "inaccurate," and declined further comment.

Some of the settlement funds will go to the Amber Reinick House, which Atsalakis ultimately established in a different Howell location in 2021. She hopes this outcome will diminish “the fear-based stigma associated with sober living.”

“It sets precedent to other cities, and also sober living homes, that you can’t discriminate against people with disabilities,” Atsalakis said. “And you can’t say who can and can’t live in your community.”
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Sarah Cwiek joined Michigan Radio in October 2009. As our Detroit reporter, she is helping us expand our coverage of the economy, politics, and culture in and around the city of Detroit.

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