



Legislation Details (With Text)

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Title: Resolution Calling a Public Hearing on July 6, 2010 for the Glacier Hills, Inc. Project Plan

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Attachments: 1. EDC Brochure.pdf

| Date | Ver. | Action By | Action | Result |
|----------|------|--------------|----------|--------|
| 6/7/2010 | 1 | City Council | Approved | Pass |

Resolution Calling a Public Hearing on July 6, 2010 for the Glacier Hills, Inc. Project Plan

In 1978 the City of Ann Arbor established The Economic Development Corporation of the City of Ann Arbor (hereafter "*EDC/AA*") under authorization of the Economic Development Corporation Act (Public Act 338 of 1974, as amended) (hereafter "*EDC Act*"). The nonprofit corporation provided assistance through tax-exempt bonds to applicants with qualified projects. Attached is background material on *EDC/AA* that provides a brief overview of the *EDC/AA*, its purpose, guidelines and bonds.

Glacier Hills, Inc. has applied for *EDC/AA* bond financing up to the principal sum of \$23,000,000. In accordance with the requirements of the *EDC Act* and the guidelines:

- On March 29th, the *EDC/AA* Board made its initial determination that the requested bond constitutes a public purpose and resolved to issue the requested bond subject to its compliance with the requirements of the *EDC Act* (the so-called "inducement" resolution).
- On April 19th, City Council approved the appointment of two special directors to the Board to serve in connection with this proposed bond. T
- On April 29th, Glacier Hills presented its proposed Project Plan (Le., a description of the basic elements of the project) to the *EDC/AA* Board. Following deliberations, the Board unanimously approved the Project Plan as presented.

The next step is for Council to schedule a public hearing on the proposed Project Plan in the manner set forth in the proposed resolution. Immediately following that hearing, City Council will be requested to vote on whether or not to approve the Project Plan. In the event of approval, the final step would be for the *EDC/AA* Board to adopt its bond-authorizing resolution following which closing on the bond would take place. These steps are in compliance with the *EDC Act*.

Bonds issued by the *EDC/AA* are repayable from only from the revenues of the individual

project financed. Neither the City nor the *EDC/AA* would have any liability under any circumstances on the bond.

Review by: Tom Crawford, Chief Financial Officer, Mary Joan Fales, Sr. Assistant Attorney

Approved by: Roger Fraser, City Administrator

Minutes of a regular meeting of the City Council of the City of Ann Arbor, County of Washtenaw, Michigan (the "City") held on June 7, 2010, at 7:00 o'clock P.M., Eastern Daylight Time.

Present: Members: Smith, Briere, Derezinski, Rapundalo, Taylor, Kunselman, Teall, Higgins, Hohnke, Anglin and mayor Hieftje, 11;

Absent: Members: 0.

The following preamble and resolution were offered by Member Derezinski and supported by Member Taylor.

WHEREAS, there exists in the City of Ann Arbor, County of Washtenaw, Michigan ("City") the need for certain programs to alleviate and prevent conditions of unemployment and to revitalize the City's economy, and to assist industrial and commercial enterprises, and to encourage the location, expansion or retention of industrial and commercial enterprises to provide needed services and facilities to the City and its residents and to retain employment opportunities in the City;

WHEREAS, a project to alleviate the aforesaid conditions and accomplish said purposes has been initiated by The Economic Development Corporation of the City of Ann Arbor (the "EDC");

WHEREAS, in conformity with Act 338 of the Public Acts of Michigan, 1974, as amended ("Act 338"), the EDC has prepared and submitted a project plan ("Project Plan") involving an expansion and improvement project to be undertaken by Glacier Hills, Inc. ("Project") in the City; and

WHEREAS, pursuant to Act 338 and the Internal Revenue Code of 1986, as amended, it is necessary to hold a public hearing concerning the Project, the Project Plan and the bonds proposed therein to be issued by the EDC ("Bonds"), prior to taking legislative action relating to it;

NOW, THEREFORE, BE IT RESOLVED THAT:

Pursuant to the aforesaid Act 338, the City shall meet on July 6, 2010, at 7:00 o'clock P.M., at which time it shall conduct a public hearing on the EDC's submission of the Project Plan and the issuance by the EDC of the Bonds.

The Clerk be and is hereby directed to give notice of such public hearing by publishing a notice thereof in the Washtenaw County Legal News, a newspaper of general circulation in the City, which notice shall be published and given at least fourteen (14) full days prior to the date set for the hearing.

The notice shall be in substantially the form set forth in Exhibit A hereto.

The City Council does hereby determine that the foregoing form of notice and the manner of publication directed is adequate notice to the citizens of the City of Ann Arbor and is well calculated

to inform them of the intention of the City to hold a public hearing and the purpose of the public hearing.

All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

YEAS: Members: Smith, Briere, Derezinski, Rapundalo, Taylor, Kunselman, Teall, Higgins, Hohnke, Anglin and Mayor Hieftje, 11;

NAYS: Members: 0.

ABSENT: Members: 0.

ABSTENTIONS: Members: 0.

RESOLUTION DECLARED ADOPTED:

City Clerk

STATE OF MICHIGAN)
) SS.
COUNTY OF WASHTENAW)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council of the City of Ann Arbor, Michigan, held on June 7, 2010, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267 of the Michigan Public Acts of 1976, as amended.

City Clerk

Dated: _____

BH 1125073v2

EXHIBIT A
NOTICE OF PUBLIC HEARING ON THE PROJECT PLAN
FOR THE GLACIER HILLS, INC. PROJECT

NOTICE IS HEREBY GIVEN that the City Council of the City of Ann Arbor, Michigan, will hold a hearing in the Council Chamber, 2nd Floor, Guy C. Larcom, Jr. Municipal Building, 100 N. Fifth Avenue, Ann Arbor, Michigan on Tuesday, the 6th day of July, A.D., 2010, beginning at 7:00 p.m. Michigan Time.

The hearing shall consider whether the Project Plan recommended to the City Council of the City of Ann Arbor by the Economic Development Corporation of the City of Ann Arbor (the "EDC") for the Glacier Hills, Inc. Project constitutes a public purpose as outlined by Act No. 338 of the Michigan Public Acts of 1974, as amended. The implementation of the Project Plan does not require a zoning change or the taking of private property and, accordingly, the recommendations of the Ann Arbor Planning Department concerning the Project Plan are not required.

The Project will be comprised of the construction and equipping of a new Care and Rehabilitation Center on the north side of the property to accommodate an 88-bed, short-term rehabilitation program and related facilities; renovation of the existing Manor Building, which offers independent living and assisted living facilities; expansion and improvement of the existing south Care Center building and renovation to expand existing dining and lounge facilities, transforming the facility to a Memory Care Residence offering both skilled care and assisted living for persons with dementia; improvement of existing north Care Center building to upgrade resident rooms and add new private rooms, to serve as a long-term care nursing center; and related site work and increase in surface parking.

The initial owner and operator of the Project will be Glacier Hills, Inc., a Michigan nonprofit corporation (the "Company").

The Glacier Hills, Inc. Project is located within the boundaries of the City of Ann Arbor, Michigan. No families or individuals will be displaced by the proposed Project. The location of the Project Area and the Project District Area is on the east side of Earhart Road, South of Plymouth Road, at 1200 Earhart Road, in the City of Ann Arbor, Washtenaw County, Michigan.

Also to be considered by the City Council is the method of financing the Project through the issuance by the EDC of economic development revenue bonds in the maximum principal amount of \$23,000,000. Bond repayments will be from the payments of principal and interest by or on behalf of the Company to the EDC. In no event will the bonds be payable by the City of Ann Arbor, its taxpayers or the EDC.

Maps, plats, a copy of the Project Plan and all other information related to the Project is available for public inspection at the Office of the Ann Arbor City Clerk, 100 North Fifth Avenue, 2nd Floor, Guy C. Larcom, Jr. Municipal Building, Ann Arbor, Michigan, between the hours of 8:00 a.m. and 5:00 p.m., week days. Any aspect of the planned Project may be discussed at the public hearing and all interested persons will be given an opportunity to be heard. The hearing will provide the fullest opportunity for expression of opinion, arguments on the merits and introduction of documentary evidence relative to the Project Plan.

If you would prefer to send written comments for consideration, please forward them to the City Clerk, at the above address. Or, if you have questions, you may call (734) 794-6140. We'll be pleased to try and answer any questions you may have concerning the Project.

Jacqueline Beaudry, City Clerk