

**THE ECONOMIC DEVELOPMENT CORPORATION
OF THE CITY OF ANN ARBOR
Washtenaw County, Michigan**

**RESOLUTION OF INDUCEMENT AND INTENT
TO ISSUE REVENUE REFUNDING BONDS
UNDER THE ECONOMIC DEVELOPMENT CORPORATIONS ACT
AND TO APPOINT BOND COUNSEL**

(Glacier Hills, Inc. Project)

At a special meeting of the Board of Directors of The Economic Development Corporation of the City of Ann Arbor, Michigan, held in the City of Ann Arbor, Michigan, on the ____ day of _____, 2014, at 8:00 o'clock a.m., Michigan Time, pursuant to notice duly given:

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, there exists in the State of Michigan and in the County of Washtenaw the need for programs to alleviate and prevent conditions of unemployment, to assist and retain local industrial and commercial enterprises, and to encourage the location and expansion of such enterprises in order to strengthen and revitalize the economy and to provide needed services and facilities to the State, to Washtenaw County and to the City of Ann Arbor; and

WHEREAS, the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended (the "Act"), provides a means for the encouragement and assistance of industrial and commercial enterprises in locating, purchasing, constructing, reconstructing, modernizing, improving, maintaining, repairing, furnishing, equipping and expanding in the State and its municipalities; and

WHEREAS, an application for financing assistance has been submitted to The Economic Development Corporation of the City of Ann Arbor (the "EDC") by Glacier Hills, Inc., a Michigan nonprofit corporation (the "Company"), which proposes to refinance certain bonds issued by the EDC for the benefit of the Company in 2000 and 2010 (the "Refundings"), which bonds were originally issued to construct, improve and equip certain facilities of Glacier Hills in the City of Ann Arbor designed for and capable of providing needed services and facilities to the residents of the City of Ann Arbor; and

WHEREAS, the Company has represented to the EDC that the costs of the Refundings, including administrative, legal and financial costs, are estimated not to exceed \$34,200,000; and

WHEREAS, the EDC is authorized by the Act to issue revenue refunding bonds to implement the Refundings; and

WHEREAS, the issuance of revenue refunding bonds by the EDC would assist the Company and induce it to continue to establish, modernize, improve, reconstruct and/or expand its activities within the City of Ann Arbor; and

WHEREAS, all administrative, legal, financial or other costs incurred by the EDC are includable in the costs of the Refundings, and the Company has assured the EDC, and the financing documents will specifically provide, that the Company will reimburse the EDC for all of said costs, as incurred, and will indemnify the EDC and its members from all claims and actions of whatever kind or nature relating to the Refundings and any EDC bonds issued for the benefit of the Company and the Refundings; and

WHEREAS, the EDC deems it desirable, reasonable and necessary to commence the appropriate proceedings in order to assist in the implementation of the Refundings;

NOW, THEREFORE, BE IT HEREBY RESOLVED:

1. That the EDC finds that there is a public purpose in the Refundings.
2. That in order to induce the Company to continue its existing and future operations and facilities in the City of Ann Arbor, subject to the provisions of this Resolution, the EDC will issue its limited obligation economic development revenue refunding bonds in an amount presently estimated not to exceed \$34,200,000, for the purpose of paying all or part of the costs of the Refundings and the costs incidental to the issuance of the bonds. Such bonds will be issued pursuant to the Act provided that such documents and details pertaining to the bonds and the Company's obligations with respect thereto are prepared with provisions and details as are acceptable to and approved by this EDC and its counsel, and provided, further, that all necessary preliminary proceedings, hearings, approvals and other requirements of the Act are completed, and provided, further, that the bonds can be sold.
3. That the proceedings and agreements relating to the EDC's involvement with the Refundings and issuance of the bonds shall contain such provisions and details as shall absolutely and unequivocally make certain that under no circumstances will the EDC or the City of Ann Arbor or any of the City's taxpayers or citizens ever be required to pay the principal of and interest on, or any costs relating to, the bonds from tax revenues or other funds of such governmental units, and shall in addition contain provisions fully protecting the EDC and the City of Ann Arbor against any other liability and all costs relating to the bonds and the Refundings.

4. That by adoption of this resolution the EDC and the City of Ann Arbor assume no obligation or liability to the Company for any loss or damage that may result to the Company from the adoption of this Resolution, from costs and expenses in connection with the Refundings, and from costs of the issuance of the bonds. Any and all costs relating to the acquisition, financing, ownership or operation of the facilities refinanced with the bonds shall be paid from the proceeds of sale of the bonds or by the Company.

5. That each revenue bond, when, as, and if issued in connection with the Refundings, shall clearly recite in substance that the principal of, interest, and premium, if any, on such bond is payable solely from the revenues received from the Company or credit enhancement for the bonds, and the property refinanced with the proceeds of the bonds may be pledged or mortgaged as security for the payment thereof.

6. That the firm of Clark Hill PLC, of Birmingham, Michigan, be hereby designated and retained by the EDC as bond counsel with respect to the revenue bonds to be issued in connection with the Refundings, and be authorized and directed to prepare and submit to all appropriate parties all proceedings, agreements and other documents as shall be necessary or appropriate in connection with the issuance of such bonds, to make application on behalf of the EDC to the United States Internal Revenue Service and other governmental agencies for such income tax and other rulings and approvals as may be necessary in relation to the issuance of such bonds, and the Chairperson, Secretary and Treasurer of this EDC are severally authorized to execute such powers of attorney and other documents as may be appropriate in connection with the foregoing. The legal fees of bond counsel for work done in connection with the Refundings shall be paid by the Company or ultimately from the proceeds of sale of such bonds but in no event shall be a cost to the EDC.

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

YEAS: Members: _____

NAYS: Members: _____

ABSENT: Members: _____

ABSTENTIONS: Members: _____

RESOLUTION DECLARED ADOPTED:

Name: _____

Title: _____

Board of Directors
The Economic Development
Corporation of the
City of Ann Arbor, Michigan

STATE OF MICHIGAN)
) SS.
COUNTY OF WASHTENAW)

I, _____, the duly qualified and acting _____ of The Economic Development Corporation of the City of Ann Arbor, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of said Corporation at a meeting held on the _____ day of _____, 2014, 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.

Name: _____
Title: _____

Dated: _____

**THE ECONOMIC DEVELOPMENT CORPORATION
OF THE CITY OF ANN ARBOR
Washtenaw County, Michigan**

**RESOLUTION REQUESTING ANN ARBOR CITY COUNCIL
TO HOLD A PUBLIC HEARING AND
APPROVE EDC BONDS FOR GLACIER HILLS, INC.**

(Glacier Hills, Inc. Project)

At a special meeting of the Board of Directors of The Economic Development Corporation of the City of Ann Arbor, Michigan, held in the City of Ann Arbor, Michigan, on the ____ day of _____, 2014, at 8:00 o'clock a.m., Michigan Time, pursuant to notice duly given:

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, there exists in the State of Michigan and in the County of Washtenaw the continuing need for projects to alleviate and prevent conditions of unemployment, to assist and retain local industrial and commercial enterprises, to strengthen and revitalize the economy, and to encourage the location and expansion of industrial and commercial enterprises to more conveniently provide needed services and facilities to the State, to Washtenaw County and to the City of Ann Arbor; and

WHEREAS, the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended, (the "Act") provides a means for the encouragement of such projects in the City of Ann Arbor by this Economic Development Corporation ("EDC") through the issuance of its revenue bonds or revenue refunding bonds for the benefit of such projects; and

WHEREAS, this EDC has commenced proceedings under the Act by adoption of a Resolution of Inducement for the benefit of Glacier Hills, Inc., a Michigan nonprofit corporation ("Glacier Hills"), to assist in the refinancing of certain bonds previously issued by the EDC for the benefit of Glacier Hills (the "Refundings"); and

WHEREAS, the Refundings will include the refunding of bonds issued by the EDC in November 2000 for the construction of new facilities by Glacier Hills and the refunding of EDC bonds previously issued for its benefit (the "Series 2000 Bonds"), and the bonds issued to

implement that refunding (the "Refunding Bonds") will include amounts necessary to pay the costs of issuance relating to the Refundings; and

WHEREAS, because a portion of the proceeds of the Refunding Bonds will be used to pay the costs of issuance relating to the Refundings, federal income tax law requires that the City Council hold a public hearing and approve the issuance of the Refunding Bonds;

NOW, THEREFORE, BE IT HEREBY RESOLVED:

1. The EDC finds that the holding of a public hearing and the approval of the Refunding Bonds by the City Council of the City of Ann Arbor, as a condition precedent to the issuance of the Refunding Bonds by the EDC, are necessary to the achievement of the EDC's purpose in issuing the Refunding Bonds and, therefore, serve a public purpose.

2. The Secretary of the EDC is instructed to deliver a copy of this resolution to the Mayor of the City of Ann Arbor with the request that the City Council of the City of Ann Arbor take such steps as are necessary to hold a public hearing regarding the issuance of the Refunding Bonds and, following such public hearing, to approve the issuance of the Refunding Bonds by the EDC.

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

YEAS: Members: _____

NAYS: Members: _____

ABSENT: Members: _____

ABSTENTIONS: Members: _____

RESOLUTION DECLARED ADOPTED:

Name: _____
Title: _____
Board of Directors
The Economic Development
Corporation of the
City of Ann Arbor, Michigan

