

**THE ECONOMIC DEVELOPMENT CORPORATION
OF THE COUNTY OF OAKLAND
Oakland County, Michigan**

RESOLUTION RECOMMENDING PROJECT PLAN

(Oakland Steiner School Project)

At a regular meeting of the Board of Directors of The Economic Development Corporation of the County of Oakland, Michigan, held at 1200 North Telegraph Road, Pontiac, Michigan, on the 17th day of October, 2006, at 8:30 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, as part of the process under the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended (the "Act") pursuant to which The Economic Development Corporation of the County of Oakland (the "EDC") has determined to assist the Oakland Steiner School Project (the "Project") by the issuance of the EDC's limited obligation economic development revenue bonds for the benefit of the Project, a form of Project Plan for the Project has been prepared and submitted to the EDC in accordance with the requirements of the Act; and

WHEREAS, the Board of the EDC has duly considered such Project Plan and has found it to be in compliance with the provisions of the Act;

NOW, THEREFORE, BE IT HEREBY RESOLVED:

1. That, on the basis that the implementation of the Project Plan will not require a zoning change or the taking of private property pursuant to Section 22 of the Act, the recommendations of the local public agency (as defined in the Act) concerning the Project Plan, (a copy of which is attached hereto as Exhibit A) are not required.

2. That, based upon the Certificate attached to the Project Plan, the Project shall not have the effect of transferring employment of more than 20 full-time persons from another municipality of this State to the municipality in which the Project will be located.

3. That the Project Plan otherwise meets all the requirements set forth in Section 8 of the Act.

4. That the persons who will be active in the management of the Project for not less than one (1) year after the projected date of the Board of Commissioners' approval of the Project Plan have sufficient ability and experience to manage the Plan properly.

5. That the proposed method of financing the Project, including the issuance of a letter of credit by a financial institution acceptable to the EDC which will be drawn upon to pay debt service, is feasible.

6. That the Project is reasonable and necessary to effectuate the purposes of the Act.

7. That the Project Plan attached hereto as Exhibit A be and it is hereby recommended by this Board for approval by the Board of Commissioners of the County of Oakland, and the Board of Commissioners is hereby requested, following a public hearing in accordance with the Act, to determine that the Project Plan constitutes a public purpose and to approve the Project Plan, and authorize the EDC to take such steps as are necessary to implement the Project and the financing thereof by the issuance of the EDC's revenue bonds or notes.

8. 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:

Mary P. Langhauser
Assistant Secretary
Board of Directors
The Economic Development
Corporation of the
County of Oakland

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

I, Mary P. Langhauser, the duly qualified and acting Assistant Secretary of The Economic Development Corporation of the County of Oakland, 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 17th day of October, 2006, 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.

Mary P. Langhauser
Corporation Assistant Secretary

Dated: _____

BH 790746v1

**THE ECONOMIC DEVELOPMENT CORPORATION
OF THE COUNTY OF OAKLAND
Oakland County, Michigan**

Oakland Steiner School Project

PROJECT PLAN

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"D" - Company Certificate Regarding Payment of Prevailing Wages

Other

PROJECT PLAN

SUMMARY DESCRIPTION OF OAKLAND STEINER SCHOOL PROJECT

OWNER OF PROJECT: Oakland Steiner School

CONTACT PERSON: Lisa Peyser, Business Coordinator, Robert Patterson, Board President
or William Kennis, board member.
3976 South Livernois, Rochester Hills, MI 48307
(248) 299-8755 ext 11

LOCATION OF PROJECT: Rochester Hills
3976 South Livernois, Rochester Hills, MI 48307

PROJECT AREA/DISTRICT AREA: See Exhibit A

SIDWELL #15-33-476-026: T3N, R11E, SEC 33 Homestead Acres Lots 105, 106, 107.

SIDWELL #15-33-476-027: T3N, R11E, SEC 33 PART OF SE ¼ BEG AT SE SEC COR, TH
N 88-15-00 W 396 FT, TH N 01-00-00 E 361 FT, TH S 88-00-00 E 338 FT, TH S 08-15-00 E
365 FT TO BEG 3 AB576.

SIDWELL #15-33-476-014: T3N, R11, SEC 33 HOMESTEAD ACRES LOTS 1 TO 7 INCL.

NATURE OF PROJECT: Purchase and preserve the historically significant Stiles School
building and property to continue its use as a school.

EMPLOYMENT CREATED OR RETAINED: 38

TOTAL PROJECT COST: \$1,800,000.00

BONDS TO BE ISSUED: \$1,500,000.00

LETTER OF CREDIT ISSUER OR BOND PURCHASER:

Fifth Third Securities
1000 Town Center, Suite 1400
Southfield, MI 48075

**DATE AND EXPIRATION DATE OF LETTER OF CREDIT OR BOND PURCHASE
COMMITMENT:**

PROJECT PLAN CERTIFICATION

THIS PROJECT PLAN WAS PREPARED FOR THE ECONOMIC DEVELOPMENT CORPORATION OF THE COUNTY OF OAKLAND IN ACCORDANCE WITH THE REQUIREMENTS OF THE ECONOMIC DEVELOPMENT CORPORATIONS ACT, ACT NO. 338 OF THE MICHIGAN PUBLIC ACTS OF 1974, AS AMENDED.

THE UNDERSIGNED HAS PROVIDED ALL OF THE INFORMATION CONTAINED HEREIN AND HEREBY CERTIFIES AS TO THE ACCURACY AND VALIDITY OF SUCH INFORMATION AS OF THIS DATE.

THE UNDERSIGNED UNDERSTANDS THAT THIS PROJECT PLAN IS STATUTORILY REQUIRED AND, IF IT CONTAINS ANY MATERIAL MISREPRESENTATION OR INACCURACY, COULD RESULT IN THE INVALIDATION OF THE ECONOMIC DEVELOPMENT CORPORATION PROCEEDINGS REGARDING THE PROJECT TO WHICH THE PROJECT PLAN PERTAINS.

OAKLAND STEINER SCHOOL

By: 
Its: Board Treasurer

Dated: 10-16-06

PROJECT PLAN
STATUTORILY REQUIRED INFORMATION REGARDING
OAKLAND STEINER SCHOOL PROJECT

I. THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE PROJECT DISTRICT AREA; THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES NOW EXISTING AND PROPOSED FOR THE PROJECT AREA, INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES; AND A LEGAL DESCRIPTION OF THE PROJECT AREA:

The project is an existing building and property known as the Stiles School (formerly part of the Avondale School District) located at 3976 South Livernois in Rochester Hills. The site is situated on the northwest corner of Livernois Road and South Boulevard in section 33 at the southern border of Rochester Hills. The overall site is approximately 7.15 acres more or less. The site is "L" shaped. The site has approximately 861.30 feet of frontage on Livernois Road and 597.00 feet on South Boulevard.

The school building is near the southeast corner of the property. It consists of a one- and two-story school built in 1929 to 1967. The total building contains approximately 34,222 SF plus a partial basement. The building has masonry and steel construction with brick and stucco exterior walls and a gable roof for the 2-story section and flat built roof for the 1-story sections.

The school is surrounded by newer development. Houses built in the 1970s and 1980s have been constructed on parcels to the west. Houses constructed in the 1980s are on parcels to the north. Across South Blvd. in the city of Troy there is a mix of 1980s and 1930s houses. Across Livernois to the east are two 1960s area office buildings and a mix of houses constructed.

Appraisal indicated that the best use of the property is for continued use as a school.

Property described as:

Parcel 1: Lots 1 through 7, both inclusive and Lots 105, 106 and 107, Homestead Acres Subdivision, according to the plat thereof as recorded in liber 50, pages(s) 60 of Plats, Oakland County Records.

Parcel 2: Part of the southeast $\frac{1}{4}$ of section 33, town 3 north, range 11 east, City of Rochester Hills, Oakland County, Michigan, beginning at southeast section corner, thence north 88 degrees 15 minutes 00 seconds west 396 feet; thence north 01 degree 00 minutes 00 seconds east 361 feet; thence south 88 degrees 00 minutes 00 seconds east 338 feet; thence south 08 degrees 16 minutes 00 seconds east 365 feet to beginning

Parcel Identification Nos.

15-33-476-014, 15-33-476-026 and 15-33-476-027

Legal description of Project Area attached as Exhibit A.

II. A DESCRIPTION OF EXISTING IMPROVEMENTS IN THE PROJECT AREA TO BE DEMOLISHED, REPAIRED, OR ALTERED; A DESCRIPTION OF REPAIRS AND ALTERATIONS; AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION:

No demolition, repairs or alterations current planned.

III. THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS, INCLUDING REHABILITATION CONTEMPLATED FOR THE PROJECT AREA, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION:

None

IV. A DESCRIPTION OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE:

None

V. A DESCRIPTION OF THE PARTS OF THE PROJECT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE:

Currently the playground and soccer field (over half the property) are open space and there are no plans to change the use.

VI. A DESCRIPTION OF PORTIONS OF THE PROJECT AREA WHICH THE ECONOMIC DEVELOPMENT CORPORATION OR THE COMPANY DESIRES TO SELL, DONATE, EXCHANGE OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS:

Not Applicable

VII. A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREET, STREET LEVELS, INTERSECTIONS AND UTILITIES:

None

VIII. A DESCRIPTION OF THE PROPOSED METHOD OF FINANCING THE PROJECT, INCLUDING ATTACHMENT OF A COPY OF THE LETTER OF CREDIT OR BOND PURCHASER'S COMMITMENT LETTER:

The property was purchased by Oakland Steiner School from the Avondale school district on August 31, 2006 for \$1,800,000. Supporters of the school provided the down payment of \$360,000 and the remainder was financed through a \$1,440,000 bridge loan from Fifth Third bank as we proceed with the bond approval process.

Fifth Third Bank has provided a letter of credit for \$1,500,000
Copy of Letter of Credit or bond purchaser's commitment letter attached as Exhibit B.

IX. A STATEMENT REGARDING THE PAYMENT OF PREVAILING WAGE AND FRINGE BENEFIT RATES AS DETERMINED PURSUANT TO ACT NO. 166 OF THE MICHIGAN PUBLIC ACTS OF 1965, AS AMENDED (REGARDING WAGES ON STATE CONTRACTS):

See Exhibit D

X. A LIST OF PERSONS WHO WILL MANAGE OR BE ASSOCIATED WITH THE MANAGEMENT OF THE PROJECT FOR A PERIOD OF NOT LESS THAN 1 (ONE) YEAR FROM THE DATE OF APPROVAL OF THE PROJECT PLAN:

Robert Patterson, Board President
William Kennis, Board Member
Lisa Peyser, Business Coordinator

XI. DESIGNATION OF THE PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM THE PROJECT IS TO BE LEASED, SOLD OR CONVEYED AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN, TO THE EXTENT THAT INFORMATION IS PRESENTLY AVAILABLE:

None

XII. IF THERE IS NOT AN EXPRESS OR IMPLIED AGREEMENT WITH A PERSON OR PERSONS, NATURAL OR CORPORATE, THAT THE PROJECT WILL BE LEASED, SOLD, OR CONVEYED TO THOSE PERSONS, THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING OR CONVEYING OF THE PROJECT UPON ITS COMPLETION:

None

XIII. ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE PROJECT AREA AND THE NUMBER OF FAMILIES AND INDIVIDUALS TO BE DISPLACED. IF OCCUPIED RESIDENCES ARE DESIGNATED FOR ACQUISITION AND CLEARANCE, INCLUDE A SURVEY OF THE FAMILIES AND INDIVIDUALS TO BE DISPLACED, INCLUDING THEIR INCOME AND RACIAL COMPOSITION, A STATISTICAL DESCRIPTION OF THE HOUSING SUPPLY IN THE COMMUNITY, INCLUDING THE NUMBER OF PRIVATE AND PUBLIC UNITS IN EXISTENCE OR UNDER CONSTRUCTION, THE CONDITION OF THOSE IN EXISTENCE, THE NUMBER OF OWNER-OCCUPIED AND RENTER-OCCUPIED UNITS, THE ANNUAL RATE OF TURNOVER OF THE VARIOUS TYPES OF HOUSING AND THE RANGE OF RENTS AND SALE PRICES, AN ESTIMATE OF THE TOTAL DEMAND FOR HOUSING IN THE COMMUNITY, AND THE ESTIMATED CAPACITY OF PRIVATE AND PUBLIC HOUSING AVAILABLE TO DISPLACED FAMILIES AND INDIVIDUALS:

None

XIV. A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE PROJECT IN NEW HOUSING IN THE PROJECT AREA:

Not Applicable

XV. PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE PROJECT AND FINANCIAL ASSISTANCE AND REIMBURSEMENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STANDARDS AND PROVISIONS OF THE FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, 42 U.S.C. 4601 TO 4655:

Not Applicable

XVI. A PLAN FOR COMPLIANCE WITH ACT NO. 227 OF THE MICHIGAN PUBLIC ACTS OF 1972, WHICH PERTAINS TO PROVIDING FINANCIAL ASSISTANCE, ADVISORY SERVICES AND REIMBURSEMENT OF CERTAIN EXPENSES TO DISPLACED PERSONS:

Not Applicable

XVII. OTHER MATERIAL AS THE ECONOMIC DEVELOPMENT CORPORATION, LOCAL PUBLIC AGENCY, OR GOVERNING BODY CONSIDERS PERTINENT:

Not Applicable

Exhibit A

PROJECT AREA LEGAL DESCRIPTION

Oakland Steiner School
3976 S. Livernois Rd.
Rochester Hills, MI 48307

General Description:

The property is located on the northwest corner of Livernois Road and South Boulevard, generally known as the Stiles Elementary School site. It consists of an approximately 33,208 square foot school building located on approximately eight acres of land. The address is 3976 South Livernois Road, Rochester Hills, MI 48307. The property is zoned One Family Residential.

Legal Description:

SIDWELL #15-53-476-026: T3N, R11E, SEC 33 HOMESTEAD ACRES LOTS 105, 106 & 107.

SIDWELL #15-33-476-027: T3N, R11E, SEC 33 PART OF SE ¼ BEG AT SE SEC COR, TH N 88-15-00 W 396 FT, TH N 01-00-00 E 361 FT, TH S 88-00-00 E 338 FT, TH S 08-15-00 E 365 FT TO BEG 3 AB576.

SIDWELL #15-33-476-014: T3N, R11E, SEC 33 HOMESTEAD ACRES LOTS 1 TO 7 INCL.



OakMap

Oakland County's Property Information Lookup System

Disclaimer: The information provided herewith has been compiled from recorded deeds, plats, tax maps, surveys and other public records. It is not a legally recorded map or survey and is not intended to be used as one. Users should consult the information sources mentioned above when questions arise.



L. Brooks Patterson
Oakland County Executive

Legend	
	Parcel Lines
	CVT Boundaries
	Contours
	Section Lines
	Survey Corners

FEMA Data:	
	Base Flood Elevation
	Cross Section
	Floodway
Floodplain	
	100 yr approx.
	100 yr detailed
	500 yr

NORTH

1 inch equals 100 feet

2006 Aerials

Exhibit B

**LETTER OF CREDIT OR
BOND PURCHASER'S COMMITMENT LETTER**

Kimberly R. Zazula, Vice President
Fifth Third Bank, Eastern Michigan
Public Funds, Non-Profit Group
1000 Town Center, Suite 1400
Southfield, MI 48075
248/603-0546
248/603-0752 (fax)

October 16, 2006

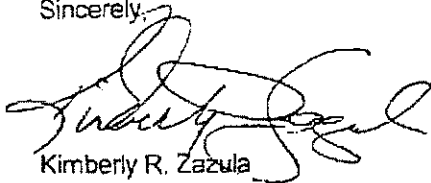
Mary P. Langhauser
Supervisor Financial Services
Oakland County Economic Development Corporation
1200 North Telegraph Road
Pontiac, MI 48341

Dear Ms. Langhauser:

This letter is to advise that, subject to approval, Fifth Third Bank will issue a Letter of Credit not to exceed \$1,520,000 to support the issuance of a tax-exempt variable rate bond to Oakland Steiner School.

Please feel free to contact me if further information is required.

Sincerely,



Kimberly R. Zazula
Vice President

Exhibit C

**COMPANY CERTIFICATE REGARDING
TRANSFER OF EMPLOYMENT**

(Oakland Steiner School Project)

The undersigned, Oakland Steiner School, a Michigan nonprofit corporation (the "Company"), hereby certifies to The Economic Development Corporation of the County of Oakland (the "EDC") as follows:

1. This Certificate is made and based upon the best of the Company's knowledge and belief, only after thorough investigation and discussion with all owners of the Company and others who might have knowledge regarding the subject matter.

2. The Company acknowledges that this Certificate will be employed by the EDC as the sole basis for the EDC's certification to the Board of Commissioners of the County of Oakland as to transfer of employment as required by Section 8(3) of the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended (the "Act").

3. The Company understands that the EDC's Certification to the Board of Commissioners of the County of Oakland is a statutory requirement which, if improperly made or based upon any material misrepresentation or inaccuracy, might invalidate the proceedings regarding the Oakland Steiner School Project (the "Project") pursuant to which the EDC expects ultimately to issue its limited obligation economic development revenue bonds to finance all or part of the Project.

4. As of the date hereof, the Project shall not have the effect of transferring employment of more than 20 full-time persons from a municipality (as that term is defined in the Act) of this State to the City of Rochester Hills, Michigan, the municipality in which the Project will be located.

5. The Company understands that a covenant to effectuate the purposes of this Certificate will be included in those covenants to be made by the Company when bonds are issued by the EDC for the benefit of the Project.

OAKLAND STEINER SCHOOL,
a Michigan nonprofit corporation

By: 

Its: Board Treasurer

Dated: 10-16-06

Exhibit D

**COMPANY CERTIFICATE REGARDING
PAYMENT OF PREVAILING WAGES**

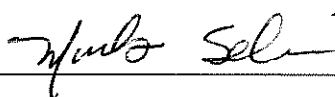
(Oakland Steiner School Project)

The undersigned, Oakland Steiner School, a Michigan nonprofit corporation (the "Company"), hereby certifies to The Economic Development Corporation of the County of Oakland (the "EDC") as follows:

1. The Company understands that this Certificate is a statutory requirement under the Economic Development Corporations Act, Act No. 338 of the Michigan Public Acts of 1974, as amended (the "Act") which, if improperly made or based upon any material misrepresentation or inaccuracy, might invalidate the proceedings regarding the Oakland Steiner School Project (the "Project") pursuant to which the EDC expects ultimately to issue its limited obligation economic development revenue bonds to finance all or part of the Project.

2. Within the meaning and intent of Section 8(4)(h) of the Act, all persons performing work on the construction of the Project will be paid the prevailing wage and fringe benefit rates for the same or similar work in the locality in which the work is to be performed, as determined pursuant to Act No. 166 of the Michigan Public Acts of 1965, as amended.

OAKLAND STEINER SCHOOL,
a Michigan nonprofit corporation

By: 
Its: Board Treasurer

Dated: 10-16-05

BH 790617v1