

A meeting of the Economic Development Corporation was held on Thursday, March 2, 1995 in the Lower Level Conference at City Hall. The meeting was called to order at 7:35 P.M.

PRESENT: Laurence G. Keisling
Michael Parker
Tamara A. Renshaw
Ernest Reschke
Nelson Ritner
Charles Salgat
Douglas J. Schroeder

ABSENT: Robert S. Gigliotti (excused)
Ronald Mansell (excused)

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MINUTES

Resolution #95-1
Moved by Keisling
Seconded by Parker

RESOLVED, That the Minutes of the meeting of March 30, 1994 be approved.

Yeas: All-7
Absent: Gigliotti, Mansell

RESOLUTION OF INDUCEMENT - ALLIED METALS CORPORATION PROJECT (42)

Gary Wasserman, President of Allied Metals Corporation, explained their proposed operation and answered questions from the Board members. Joel Piell, bond counsel, reacquainted the board with the procedure to be followed, and answered questions.

Resolution #95-2
Moved by Salgat
Seconded by Reschke

WHEREAS, there has been presented to the Board of Directors of The Economic Development Corporation of the City of Troy (the "Corporation") a proposal relating to the construction and operation of an industrial facility to be located in the City of Troy, County of Oakland, Michigan (the "Incorporating Unit") for use by Allied Metals Corporation, a Michigan corporation (the "Company"); and

WHEREAS, said proposal appears to have merit as a "Project" as defined in Act 338, Michigan Public Acts of 1974, as amended (the "Act"), and to meet the need for programs, services and facilities as described in the Act; and

WHEREAS, although a "Project Plan" as defined in the Act has not yet been completed or approved with respect to the proposed facility (the "Project"), it is likely that the Project will require issuance of revenue bonds by the Corporation; and

WHEREAS, it is desirable to begin proceedings under the Act with respect to the Project and to retain the services of bond counsel to begin preparation of documents with respect to such revenue bonds in order to induce the Company to implement the proposal so as to provide to the Incorporating Unit and its citizens necessary programs, services and facilities;

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Pursuant to Section 8 (1) of the Act, the Board of Directors of the Corporation upon the advice of the Company hereby proposes that the land area described in Exhibit A attached hereto and made part hereof is the land area which will be acquired in the implementation of the Project and hereby designates to the Incorporating Unit's legislative body said land area described in Exhibit A as the project area for the Project.
2. Pursuant to Section 12(1) of the Act, the Board of Directors hereby recommends to the Incorporating Unit's legislative body that certain land area described in Exhibit B attached hereto, as may be amended from time to time in minor respects, constitutes that portion of the territory surrounding the project area which will be significantly affected by the Project, said certain land area described as the Project District Area.
3. Upon receipt of an executed Memorandum of Agreement in the form attached hereto as Exhibit C, the Secretary of the Corporation be and is hereby directed to (a) communicate the proposed project area and the recommended project district area boundaries to the aforesaid legislative body by conveying to the foregoing body a certified copy of this resolution, and (b) notify the Chief Executive Officer of the Incorporating Unit of this Corporation's intent to commence a project that two additional directors of the Corporation representative of neighborhood residents and business interests likely to be affected by the proposed Project may be appointed.
4. In order to more fully induce the location of the Project in the proposed project area and subject to the hereinafter special provisions, the Corporation will issue its economic development limited obligation revenue bonds in an amount presently estimated not to exceed Three Million Dollars (\$3,000,000), for the purpose of paying all or part of the cost of the Project and the costs incidental to the issuance of the bonds. Said bonds will be issued pursuant to the Act provided that a lease, lease purchase

contract, installment sales contract or loan agreement, a memorandum of agreement in the form of Exhibit C attached hereto, and other documents and details pertaining to the bonds are prepared with such provisions and details as are acceptable to and approved by this Board of Directors and provided, further, that all other necessary action is taken in conformance with the Act and provided, further, that the bonds can be sold.

5. The proceedings and agreements relating to the Corporation's financial assistance of the Project and issuance of the bonds shall contain such provisions and details as shall absolutely and completely make certain that under no circumstances will the Corporation, the Incorporating Unit, the State of Michigan or any of its 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 Corporation, the Incorporating Unit and the State of Michigan against any other liability and all costs relating to the bonds or the Project.
6. By adoption of this resolution the Corporation assumes no obligation or liability to the Company for any loss or damage that may result to the Company from the adoption of this resolution and all costs and expenses in connection with the construction of the Project and all costs of the issuance of the bonds and any and all other costs relating to the acquisition, financing, ownership or operation of the Project shall be paid from the proceeds of sale of the bonds or by the company.
7. The President and Secretary of the Corporation and bond counsel are hereby authorized to execute and submit to the Department of Treasury of the State of Michigan, when appropriate, an application requesting allocation of bonds for private purpose bond issues which states that the information contained therein is correct and that there have not been made or received any bribe, gift or direct or indirect contribution to any political campaign for consideration by the State Treasurer of the allocation request or of the Corporation of a request to induce the Project and seek allocation.
8. The Memorandum of Agreement between the Company and this Corporation attached hereto as Exhibit C be and is hereby approved and the Secretary of this Board be and is hereby directed to execute said Memorandum on behalf of this Corporation.

9. The firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, is hereby designated and retained by the Corporation as bond counsel with respect to the revenue bonds to be issued in connection with the Project, and is 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 Corporation 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 Secretary of this Corporation is authorized to execute such powers of attorney and other documents as may be appropriate in connection with the foregoing. The legal fees of Miller, Canfield, Paddock and Stone, P.L.C. for work done in connection with the Project shall be paid from the proceeds of sale of such bonds or by the Company and in any event shall be at no cost to the Corporation.

Yeas: All-7

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The meeting was adjourned at 7:50 p.m.