

Farmington Observer

Volume 94 Number 18 Thursday, December 16, 1982 Farmington, Michigan 76 Pages Twenty-five cents

Dead firm battling with state

By Craig Plechura
staff writer

Even the demise of their business hasn't ended the headaches for principals in the Group Ten Mortgage Corp., Emil Coolidge Mortgages Inc. and Remvestco Inc. investment firm, all formerly headquartered in Farmington.

Michigan Atty. Gen. Frank J. Kelley has asked the federal bankruptcy court to assess \$25,000 in civil fines against each of three individuals — four closely related companies that did investment and mortgage work in eight cities in the state.

Group Ten specialized in writing controversial second mortgages or "wrap-around" mortgages. Remvest sold investors securities backed by mortgage loans largely arranged by Group Ten. Principals in the two companies are related.

The attorney for the defendants who've filed for bankruptcy called Kelley's statement a "publicity stunt." While admitting his clients can't repay borrowers as they agreed to, attorney Alan Goldstein of Southfield likened the situation to that of McLouth Steel — "they sought protection from their creditors."

Kelley claims principals of Group Ten and two remaining companies being operated by court-appointed trustees, failed to honor a June 1981 agreement with his office "and have sought the protection of the bankruptcy court from the claims of the borrowers as well as those who invested in the scheme based on promises of a high rate of return."

THE ATTORNEY GENERAL is asking the U.S. Bankruptcy Court in Detroit to levy \$25,000 fines against:

- Group Ten Mortgage Corp., formerly of Farmington.
- Emil Coolidge Mortgages Inc., formerly of Farmington.
- Remvest Securities Inc. of Livonia.
- Remvestco Inc. formerly of Farmington.
- Francis LeBlanc.
- Muriel LeBlanc.

An additional name, that of Emil Coolidge individually, was removed from the list, said Asst. Atty. Gen. Luis Fernandez, because Coolidge "really was not a principal" in action the state maintains violated the Consumer Protection Act.

"These people and their companies have taken undue advantage of all those they have come in contact with," Kelley said. "The borrowers, the investors, have all been harmed. And now they have asked the bankruptcy court to let them walk away from it all. I am hopeful that the court will impose the penalties we are seeking."

Attorney for the companies and principals in the bankruptcy court proceedings said the two remaining companies are under control of two "very capable" trustees: Neil Sutherland and Earl Ermin. If Kelley objects to the way the businesses are being run, Goldstein said, the attorney is second-guessing the bankruptcy court judge.

"There are something like 200-300 lawsuits started in the state of Michigan every year," Goldstein said. "Before anybody wins or loses they don't tell everybody how good they are. Ordinarily, they wait for a judge to."

STATE OFFICIALS estimated near-

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Oh, what a feeling!

The Mercy Marins have earned themselves a Merry Christmas. Coach Larry Baker's team upset perennial basketball power Flint Northern Saturday, surmounting a 19-point third-quarter deficit to capture the Class A state champion-

ship, 61-58, at the University of Detroit's Callahan Hall. Sports Editor Tom Baor's column on page 1D salutes (from left) newly crowned champs Amy DeMatteis, Carolyn Burt, Sarah Bastford, Kathy Korwin and Peggy Kelley.

RANDY BORSZ/staff photographer

Complaint ignored?

Video ordinance raises Inn's hackles

By M.B. Dillon Ward
staff writer

An attorney for the Holiday Inn has challenged Farmington Hills' recently revised video game ordinance as a violation of the state constitution and threatens to take the city to court if changes aren't made.

Attorney Frederic Keywell made his objections at Monday's City Council legislative session in city hall. Adopted last fall, the ordinance re-

quires operators to pay a \$200 application fee and a \$75 licensing cost per machine. Additional stipulations include:

- the written recommendation of at least two persons respecting the applicant's moral character;
- at least five references from reputable Michigan residents;
- applicant's fingerprints, and
- applicant's criminal record.

Where coin-operated devices are in use, at least one adult operator who has

not been convicted of a crime involving moral turpitude shall be present, according to the ordinance.

Christine Moore, an associate of Keywell, said the revised ordinance is invalid because with its enforcement the city is overstepping its power under state law to protect the public welfare, health and safety.

Based upon that contention, Keywell requested an exemption from the ordinance for hotels at a city council meeting last March. The Farmington Hills

Holiday Inn has eight or nine video games in its indoor recreation room.

Keywell was then asked by the council to supply related information to the city attorney, who was revising the ordinance. A draft of the proposed revision as well as notification of the subsequent public hearing were promised him.

In Keywell's absence last October, the revised ordinance was enacted.

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Spicer's broker, who has listed the property internationally, said an option to purchase "would be hard for the Spicers to work out."

"They (council members) say that so flippantly, but it isn't easy to enter into a workable option under these circumstances," said Mark Thomas of Weir, Mansel, Snyder & Rankin, Inc.

Unlike a right of first refusal, an option to purchase stipulates a specified

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First condo park built in Hills

By Craig Plechura
staff writer

Small- to medium-sized businesses — everything from computer sales offices to welding shops — are the target tenants of an industrial condominium complex to be constructed in Farmington Hills.

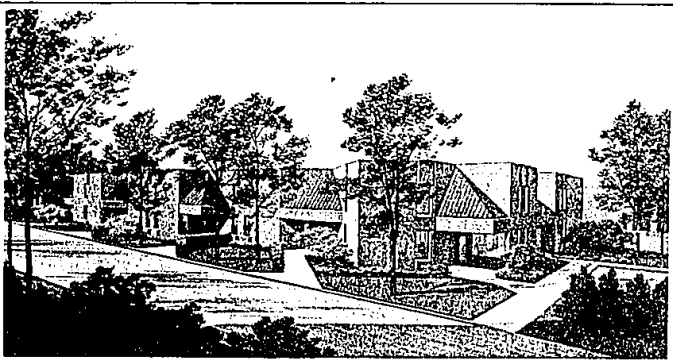
A partnership of local builders, real estate marketing personnel and architects is planning to build the complex, which will offer the first industrial condominiums in the Detroit area.

Backers of the complex say it should attract tenants on the premise that owning space is cheaper than building a separate structure. Ownership of an industrial condo gives the buyer tax benefits such as mortgage interest write-offs and depreciation deductions not available to lessees.

The site of the 10.8-acre Farmington Hills Tech Center Condominium project is the north side of Howard Road, facing the I-696 expressway, west of Halsted. The pie-shaped parcel is situated east of the under-construction Robert Bosch Corp., an international automotive supplier, and south of the Farmington Hills DPW facility in the Industrial Research Park.

The unusual zoning Farmington Hills officials gave the parcel makes the project possible, said Norbert Boes, president of SBC Inc., a subsidiary of a joint venture partnership called Royce Group. The zoning is I.R.O., which allows light industry, research operations and office uses to co-exist in a 48-acre park with strict requirements protecting open space.

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An artist's rendering shows the first phase of an industrial condominium project which will be built just north of the I-696 expressway west of Halsted if buyers are interested in the idea.

No more room on street for bar patrons

By Craig Plechura
staff writer

The owner of Bootlegger's Bar in Farmington says the city council's intention to restrict parking on Brookdale, behind the bar, to residents of the street is unconstitutional and may be challenged in court if adopted.

Residents of the street claim overflow crowds from the bar, frequented primarily by young adults, create parking problems such as blocking driveways and hitting parked cars.

In response to residents' complaints, Farmington City Council members have notified residents of Brookdale to appear at city hall 8 p.m. Monday to discuss a proposal to issue residents of

the street parking stickers. Under the plan anyone parking on Brookdale from Grand River to Nine Mile between the hours of 7 p.m. and 6 a.m. seven days a week without a city-issued parking sticker would be given a parking ticket.

Council members initially proposed limiting parking during evening hours halfway down the block but residents

living toward the end of the street said such a plan would only shift the problem south. Brookdale resident Steve Rizzi suggested the sticker idea saying the plan is used in Ann Arbor on residential streets near the University of Michigan.

"YOU KNOW that's unconstitutional," said bar owner Joseph Asclone of Livonia. "Brookdale is a public street and I'm a taxpayer just like anybody else in the city."

He referred further questions to his attorney, Norman Farhat of Southfield, who was unavailable for comment.

Farmington City Manager Robert Deadman said the city has researched the legality of closing parking on a side street and found numerous examples and legal precedent.

"It's been ruled constitutional," Deadman said. "In Arlington County, Va. versus Rudolph A. Richards the

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oral quarrel

Why do you believe in old St. Nick?

Ho, ho, ho. Soon the jolly old fellow in red will be coming down the chimney or however he gets into your house to drop off some Christmas cheer.

Call him what you wish: Santa Claus, St. Nicholas, Kris Kringle, Father Christmas, on Dec. 25 he and his faithful band of reindeer will be making their way through the Detroit area.

That's why this week's Oral Quarrel question is:

WHY DO OR DON'T YOU BELIEVE IN SANTA/CLAUS? WHY SHOULDN'T WE BELIEVE IN SANTA?

To answer this question, call us at 477-5498 from now until 1 p.m. Friday. You will have 30 seconds to answer the question.

To see how you and your neighbors feel about this holiday issue, read the Monday issue of the Farmington Observer.

Hills man arraigned in criminal sexual misconduct case

James Cullip of Farmington Hills was arraigned on criminal sexual misconduct charges Thursday in 52nd District Court 1st Division in Walled Lake.

Cullip, 49, is scheduled for a preliminary exam before 52nd District Court Judge Harold Bulgarelli Dec. 21.

Charged with criminal sexual misconduct in the first and second degrees, Cullip was arrested following an alleged Dec. 8 incident involving his 11-year-old stepdaughter.

Police said the child left her residence with Cullip to buy gas for the

family pickup truck at 8 p.m. but was taken instead to a vacant parking lot near the Ford-Wixom plant, where she was raped.

The two returned home at about 10 p.m. after stopping at a local restaurant.

The girl's mother became suspicious after her daughter began crying when asked where they had gone, officers said.

The mother and daughter later were met by Farmington Hills police at Botsford General Hospital.

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EARLY DEADLINES
Due to the holidays, we will be publishing on Wednesday, Dec. 22. To place a classified ad for this issue, please call Monday, Dec. 20, between 8 and 8:30 p.m.

Happy Holidays!

One call does it all!

591-0900
Use your MasterCard or Visa