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Twenty Five Cents

Hills, city ready home fix-up programs

By LOUISE OKRUTSKY

Farmington area homeowners whose incomes fall within certain limits can apply for up to \$10,000 to aid home improvements. Oakland County through the Community Development Block Grant program for housing rehabilitation has allocated \$25,546 to Farmington Hills and more than \$10,000 to the City of Farmington for loans and grants.

Considered as part of the combined family income, Dorman continued. Payments on land contracts or property taxes can't be more than six months in arrears. Persons who rent their homes aren't eligible for the program.

To be eligible for an outright grant a family of three is required to have a yearly income that doesn't exceed \$7,150. A family of four is restricted to \$7,950 and a family of eight is eligible with \$10,500 a year.

Eligibility for loans allows for a higher yearly income. Dorman explained. One person can earn \$7,950 and still be eligible for the loan. A family of four can apply if the combined family income totals a maximum of \$12,700. The limit for a family of three is \$11,450. For a family of eight, \$15,900.

"The difference in eligibility for a loan and a grant is only the size of the income," Dorman explained.

For both loans and grants, applicants can't have savings which amount to more than \$1,000.

Applicants must live in an area where community development projects are under way.

In Farmington, any property owner within the city limits may apply.

IN THE HILLS, applicants must live within a two square mile area in the southeast corner of the city. The district is bounded by the city line on the north, Interstate on the east, Eight Mile on the south, and Orchard Lake Road on the west.

The Hills is using its community development funds in the area to build a drain, the Walden Sewer. The area is subject to frequent flooding.

"We determined a greater need to eliminate blight in that area," Dorman said.

After the area is drained the Hills plans to pave the section's roads. It has spent \$200 on the Walden Sewer project in the last two years and expects to receive \$200,000 in the next year, according to Dorman.

Homeowners in any section of the City can apply for the loans or the grant, because community development funds were used throughout the city.

"We haven't identified any poverty area," Dorman explained. "Interspersed throughout our community which is an old community, are persons with problems. We don't have a poverty area."

The funds are for necessary repairs such as roofing, heating, plumbing and electrical facilities, both cities reported.

"YOU CAN'T build a patio, a pool or put in air conditioning," Dorman said. Persons who rehabilitate their home with the funds aren't allowed to sell the home within a year. "If they sell within a

year, they have to repay the entire loan," Dorman said. "We don't want anyone to make a windfall out of this."

The loans have an overall interest rate of 12 per cent. The county is subsidizing nine per cent of the interest, leaving the homeowner with a three per cent interest on the federal loan.

Applicants won't directly receive the funds. The county will open the job for bids and choose the contractor.

In Farmington Hills the housing inspector, Richard Young, will submit a broad estimate of the work to the county.

In turn, the county can alter the amount of the loan to fit the lowest bid submitted for the job.

In Farmington, a three-member board will meet to determine the necessity of the repairs. Jay Harrison, city building inspector, Gerald Horner, of personnel and purchasing, and a third person selected by the city council will review applications before sending them to the county.

The review board should begin to meet within 60 days, according to Dorman.

APPLICATIONS CAN be picked up by City residents at the municipal building. Hills residents will have to wait until the middle of September to obtain the forms at their city hall. The administration will work out a method of processing the applications before making them available.

The Hills administration plans to verify the employment and eligibility data on the forms to expedite their handling by the county, Dorman explained.

Property owners will be asked to submit last year's income tax statement with the form.

The county program is based on one drafted by the cities of Hazel Park and Oak Park. Dorman said, "Let's give credit where credit is due," he added.

No sale Hamilton passes on offer

By RON GARBINSKI

The deal's off. Hamilton International Corp. of Farmington Hills withdrew last Wednesday from negotiations that would have resulted in the sale of its insurance subsidiary to a Household Finance Corp. insurance subsidiary based in Chicago.

On June 28, 1976 in a surprise move by company officials, Hamilton International President Richard Headlee announced that his corporation would sell all interest in its wholly owned subsidiary, Alexander Hamilton Life Insurance Company of America.

Household Finance's insurance subsidiary reportedly offered Hamilton International \$28.75 million plus \$3 worth of land for the local insurance firm.

"We evaluated what we had and decided that we should continue in the life insurance business," Headlee said Friday afternoon.

"Our sales and profits are up in the past six months. After evaluating Household's offer and what we would pay in taxes on the deal, as well as what would be left over to stockholders after the transaction, we decided not to sell the insurance subsidiary."

THE DECISION to withdraw from the negotiations with Household Finance was made after a special meeting of the Hamilton International board of directors.

A lawyer representing Household Finance's insurance subsidiary reported Friday that his company was disappointed the transaction fell through, he did say Household's insurance subsidiary had remained interested in completing the deal throughout the negotiations.

Household's corporate officials involved in the negotiations were out of town last week and unavailable for comment. Headlee stated that in June his corporation was interested in selling the insurance subsidiary and reinvesting those funds into something else that would up stream dividends for its stockholders.

While the decision to withdraw from the deal was made after an extensive review of the offer and its ramifications, Headlee



RICHARD HEADLEE

said that taxes to be paid on the deal plus the steady increase in the life insurance subsidiary over the past three years were the major reasons for not finalizing the sale.

"If we followed through with the transaction, it would have cost us \$6.9 million in taxes," Headlee explained. "That takes a substantial bite out of a deal that totals more than \$30 million."

Back in June, Hamilton had agreed in principle—subject to a definite agreement by its board of directors and stockholders—to sell the life insurance subsidiary to a subsidiary of Household Finance.

HOUSEHOLD was offering \$28.75 million in cash for the firm. In addition to the cash, Household Finance agreed that Hamilton International could retain 140 acres, presently owned by the Hamilton Life Insurance Co., on the Island of St. Croix in the Virgin Islands.

Book value of that property is \$3 million and has been up for sale since 1971, when

Hamilton International halted construction of a resort on the island.

Headlee said the corporation's increased net income, which was \$2,287,700, or 31 cents per share, in 1975 as compared to \$1,850,000, or 24 cents per share, in 1974 was one of the major issues considered when evaluating the transaction.

The first six months registered an increase of 83 per cent in first year individual ordinary life insurance premiums which totaled \$2,477,000 as opposed to \$1,353,300 for the same period in 1974.

Headlee continued. Hamilton International is the holding company for Alexander Hamilton Life and the Pepsi-Cola Bottling Co. of St. Louis, Inc.

Alexander Hamilton Life is the insurance underwriter for Dun and Bradstreet Trust and has received policyholders recommendations from A.M. Best Co., insurance industry analysts.

Life insurance in force increased to \$1,285 billion in 1975. In 1974 it was \$1,274 billion. Group insurance in force in 1975 was \$99 million and \$107.5 million in 1974.



Hay, lady

Pat Miller knows that only contented horses say "hay." The Farmington Hills horse enthusiast gives a friend a hand during an afternoon on the horse farm. See today's page three for the story and other pictures. (Staff photo by Harry Mauthe)

noon on the horse farm. See today's page three for the story and other pictures. (Staff photo by Harry Mauthe)

Spotlight focuses on Grace interns

By CORINNE ABART

William Grace Elementary School on Shumaker will be a center of innovation in education this year that could have a long range effect on public education.

The school will house the new federally funded Cycle XI program. There are four separate, but closely related programs in the project which coordinator Richard Ruter and his staff are planning.

One of the programs is the National Teacher Corps intern program held in conjunction with Oakland University. In July four interns began working with team leader Michael Barnes of Novi, Beth Crosby of Birmingham, Jacqueline Major of East Detroit and Nancy Moore of Shelby Township.

By June 1978, interns will have earned a master's degree in education which Ruter

says "means they have been trained to be educational leaders."

ONE OF THEIR experiences will be the learning of behavioral skills in math and the language arts which is another aspect of the Cycle XI project.

In the skills lab, Ruter says the staff will identify the different ways youngsters learn.

"We will approach learning in a multi-sensory way," Ruter said. "So often educators go out on tangents; they try this and that and then try that."

He explained new ways of teaching and learning tried in the lab. Work will be documented with tests to substantiate progress or lack of improvement.

Ms. Voss and Ruter explained the variety of ways people learn. Some learn by seeing, some by doing, some by manipulating or feeling certain objects—there is

no one way that is best for all, they said.

The behavioral skills lab will give educators an opportunity to try ideas, see them in action and finally, ascertain the success or failure of the ideas.

The models developed in this school could be used anywhere in the country, Ruter said. "We're also interested in the different levels of academic achievement and the effect which social skills and art takes have on learning."

Plans of the programs will be used in the classrooms at Boys Republic in Farmington which now falls under the jurisdiction of the local district.

RUTER SAID along with participating in the curriculum at Boys Republic, he will attempt to set up a reintegration model for each boy when he returns home.

He explained a person in the community

would serve as kind of a freed adviser and offer encouragement to the boy.

In addition to serving as a center for teacher training and creating new methods of learning, the school is devoted to be a center of a center for the community of large. Edna Young will be working at the school as a community coordinator.

Here, again, said Ruter, we will develop a model for other schools. One program will be at Grace next year will be teacher in-service training.

This building and Boys Republic will be involved in in-service education," Ruter said. "We hope to set up an in-service model that can be duplicated anywhere."

Ruter, former principal at Middlefield and Beersheva elementary schools, and the Teacher Corps nationally has a strong multi-cultural emphasis.

Ms. Voss and the interns had a sample when they attended a three week course workshop at Florida State University this month. This nationwide meeting probed aspects of American society that have an effect on attitudes, learning and the educational organization.

THE EXPENSE in education of a variety of cultural backgrounds, races and beliefs was an eye opener. Ms. Voss said noting the total obvious absence of ethnic races.

Jacqueline Loubeed of Oakland University is director of the Teacher Corps program which is one of 100 throughout the country.

Teacher Corps now 11 years old is the only ongoing corps of its kind that has lasted for that period of time and which has been expanded, Ruter says.

The other programs at Grace were designed and submitted as special projects and received federal approval. Several such as the behavioral skills language arts and math lab, may be one of a few nationwide. When the final reporting is done they may serve as models for classrooms from teacher to teacher.



Changing lanes

Construction crews work on the roadway and bridge on Grand River, west of Drake Road, as cars meander around the hard hats and heavy duty equipment that lines the pavement looking east on Grand River. The workers are preparing this section of the road for widening and resurfacing which will complete the Grand River project from Middle Belt all the way to Halsted. (Staff photo by Harry Mauthe)

Federal bill should provide incentive for city expansion

A federal bill now under consideration could help reduce unemployment and improve public services in the City of Farmington.

If Farmington is deemed eligible under the pending federal public works and emergency jobs bill, the city plans to build an addition to its Department of Public Works facilities on Nine Mile west of Farmington Road.

"It would allow the city to hire employees like OCEA does," City Clerk Robert Dorman explained. "We would be interested in funding public works construction and in improving our public services."

Under the bill, the federal government would pay the entire cost of these projects and possibly could provide workers for the city through the Comprehensive Employment Training Act (CETA) to perform public services.

To be eligible for such monies, an area must have an unemployment rate which exceeds the national average for three consecutive months," Dorman reported.

The qualifying city's unemployment rate must be more than 6.5 per cent for it to qualify for the funds.

But since Farmington's population is under 50,000, the Michigan Employment Security Commission—the state agency which records unemployment figures—hasn't any statistics on the city. So those figures must be compiled by another agency before they can qualify.

"AS PART OF the Detroit Metropolitan Area, the city may qualify as a resident

of these funds," Dorman said. An unemployment figure for Farmington wasn't available at last week's council meeting.

"Since guidelines haven't been established which determine the exact eligibility of a community to share in these grant monies, it is difficult to be certain whether or not the City of Farmington will be able to participate in this program," he said.

The project must be ready to begin within 90 days of the approval of the grant. Farmington has hired Tabe, Rubie and Weiland, the architectural firm that designed the municipal building's addition to design the DPW annex.

The site plan would include outside covered storage for the city's supply of road salt.

State law requires that the salt be covered to prevent it from contaminating drinking water and killing nearby vegetation," Dorman said.

"Presently, we are storing materials such as salt, outdoors. The trend today is to move such materials to inside storage to protect the environment."

"IN REFINING our existing facility we find it necessary to store outdoors many unsightly materials and equipment," he explained.

"The city, in all probability, would prohibit the storage of such materials in this manner by industrial plant users," he said.

There aren't any wells or streams in the general vicinity of the DPW building

Farmington, he said. "It would cause very little environmental damage in the city. We use the salt for the roads. The salt is washed away into the Rouge River eventually. That's where the pollution problem is."

An estimate of the cost of the proposed building, drainage and site development are required when applying for a grant from the public works bill.

If federal funding falls through the city could pay for the project through its capital improvements program at a later date, Dorman said.

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Due to the Labor Day weekend, your Observer & Eccentric will be delivered Tuesday, September 7. Deadlines for this edition will be earlier than usual. Space reservation for display advertising must be made by noon, Thursday, and news copy must be in by Thursday at 3 p.m. Classified deadlines remain unchanged. Our offices will be closed on Monday, September 6.