

# Farmington Observer

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## Innocent plea reigns at mass arraignments



Waiting for arraignment Monday morning, students crowded into the district court corridor.

RANDY BORST/staff photographer

By Mary Rodrigue  
staff writer

All but one person arrested for being disorderly in the June 16 graduation bash in a Farmington Hills field pleaded not guilty or stood mute on Monday in Farmington 47th District Court.

Most of the 43 persons arrested in the field southeast of Nine Mile and Haggerty roads were arraigned in morning sessions before Judge Margaret Schaeffer and Judge Michael Hand. James Steiner, 19, pleaded guilty and was given a six-month, non-reporting probation by Judge Schaeffer. If Steiner keeps his record clean, the charge will be dropped.

The court entered not guilty pleas for those who stood mute.

The others, mostly graduating seniors from Farmington High School, were bound over for trial. Some asked for court-appointed attorneys. A few asked for jury trials.

Farmington High Principal Jerry Pater attended the court proceedings. A few persons were granted adjournments, but no one failed to appear or to call the court to schedule another hearing date. Julie Ingalls, whose arraignment was heard a week before the rest, had her case dismissed because the citation did not specify a specific charge.

After that dismissal, police amended the rest of the tickets to read "being part of a loud, disorderly bottle-throwing crowd which refused to disperse."

"The practice of amending citations is not too common, but it's legal up until the arraignment," Hand said. "The

citation is just an order to appear. Once warrants are issued, it becomes more complicated."

STUDENTS, SOME accompanied by their parents, filled the courtrooms to standing capacity. Many said they were scared or angry — or both.

"I'm definitely pleading not guilty," one young woman said. "I was in my car trying to leave, but the police wouldn't let me go."

Her friend said one officer opened her car door and asked the girls if they wanted to leave. When they said yes, the officer reportedly closed the door and said, "Too bad. You're not going anywhere."

Others also complained about being forcibly detained when they tried to leave.

The field party was a spillover from a crowd that had gathered in Farmington High's parking lot but was dispersed by police at 9:30 p.m.

Police went to the Farmington Hills field on complaints about the size of the crowd and fireworks being ignited. There they said they were pelted with bottles and a chorus of obscenities. Arrests were made when the crowd failed to disperse, police said.

Although police said the party attracted between 400 and 500 persons, those arrested said there was between 150 and 200 students there.

NO TRIAL DATES were set on Monday. Several students asked for speedy trials because they have jobs in other states.

## Pact reached with state

## Mortgage firm denies charges

By Mary Rodrigue  
staff writer

Group Ten Mortgage Corp. officials denied charges of wrongdoing at a press conference in Farmington Tuesday, despite an agreement reached with the state Monday in which the firm agreed to pay \$40,000 in fines and rewrite or cancel more than \$1.5 million of mortgage loans.

The company and its officers had their real estate brokers' licenses suspended June 15 following an investigation by the state attorney general's consumer protection division.

The investigation charged that Group Ten had deceived borrowers by failing to disclose high brokerage fees and confusing terms of the loans. The

firm also broke promises of paying off first mortgages when offering second wrap-around mortgages, according to the state.

"Group Ten strongly believes it provides a needed financial service to the people of Michigan. Fewer than 5 percent of our customers could be classified as dissatisfied," said Francis LeBlanc, company president, in a prepared statement.

"That could be true because we detected the pattern from a small number of complaints," said Fred Hoffecker, assistant attorney general.

"The rest of the 600 or 700 consumers had no idea of what they got into." Those borrowers will be contacted

within the next two months and will have the option of having a certified public accountant, appointed by the attorney general's office and paid for by Group Ten, review their loans.

GROUP TEN has agreed to disclose to each of its customers the actual amount of the loan, the brokerage fee paid, the actual interest rate charged and the specific amount of money paid on behalf of the borrower. Dissatisfied borrowers will be allowed to back out of the transaction or to rewrite the terms to conform to what they thought they were signing in the first place.

In those cases, brokerage fees will be cancelled, interest rates lowered and first mortgages paid off.

Home property titles will be returned to those whose homes were seized through foreclosure.

In exchange for its part of the agreement, Group Ten's licenses will be returned. But if Group Ten or its officers violate any terms of the agreement, the state Department of Licensing and Regulation could suspend their licenses without a hearing.

"The security of our investors will not change because of this action," LeBlanc said.

In part, he blamed the firm's problems on state and federal laws governing mortgages.

"With a clear interpretation of the laws, businesses will know how to conduct their business," LeBlanc said.

## Reform bill heads for House

## Senate OKs business tax bill

By Mary Rodrigue  
staff writer

Reform of the Michigan Single Business Tax passed its first hurdle recently when the Senate unanimously approved a bill to allow small businesses to be taxed on their profits instead of their payrolls.

The measure, first introduced in the Legislature in May 1980 by state Sen. Doug Ross, 15th District Democrat, isn't expected to go to the state House before summer recess.

"I'm optimistic they'll deal with it this fall and enact it before the end of the year, retroactive to Jan. 1," Ross said.

The bill would cut business taxes in Michigan by \$25 million a year.

"This is desperately needed reform,"

Ross said. "It eliminates the intolerable situation where a small business that loses money is still required to pay a heavy state tax."

Passage would constitute a major step toward rebuilding Michigan's ailing business climate and help businesses survive the current hard times, Ross said.

The proposal introduced this year has an added clause that wasn't in last year's version.

The provision allows manufacturing and research development firms just starting up a three-year period in which if the company shows no profit, the tax doesn't apply.

SUPPORTERS HOPE that will draw new business into the state.

"The test will still be in the House,"

said Steve Weiss, a Ross aide.

Last year the bill died because the House Taxation Committee didn't take up the measure.

"However, the committee has a new chairman this year," Weiss said. "And I

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## Republican tax plan supported

Slate Rep. Sandy Brotherton, R-Farmington, announced his support today for a Republican proposal for an immediate \$600-million cut in property and business taxes.

Labeled the "20-20-10" plan, it provides a direct 20-percent exemption for all property in the residential and agricultural classes, allows renters to assume a tax credit equivalent of 20 percent of their rent and cuts the Single Business Tax.

The House Republican legislative proposal, determined by a majority caucus vote, provides a \$480-million cut in property tax and an \$80-million cut in the Single Business Tax with no offsetting tax increase. Local units of government would not lose any revenue under the proposal as all costs of the tax cut would be shouldered by the state.

Brotherton said the cut in the business tax gives relief to small, non-profitable and new business, takes workers' and unemployment compensation out of the tax-base liability and cuts the rate. It would take effect in January 1982.

To accommodate the cuts, the Republicans have also proposed cuts to welfare providers and recipients, adult education, mental health and forced

government lapses of funds.

"It is a simple, straightforward, tough, realistic and fair proposal," Brotherton said. "It provides real tax relief and will not unfairly reduce essential state programs. For instance, even with a further 5-percent cut in welfare, our ADC average regular grants would be 10 percent higher than surrounding Midwestern states."

The proposal is a legislative one, which does not require a public referendum. While it is too late to alter 1981 summer tax bills, a special 20-percent credit would be available on 1981 state income-tax returns. The 20-percent exemption would first appear on the winter 1981 property-tax bills.

The proposal also restricts increases in property tax which occur through increased assessments. Local units could not benefit from any increased yield without public notice—a special hearing and a positive vote to levy property tax giving any increased yield over the previous year.

"We are all calling on Senate and House Democrats to finally wake up and accept the fact that the people want and deserve a major tax cut now. The Republicans know what the people of the state want, and we intend to give it to them," Brotherton said.



## Bow of thanks

Anita Schnee, third degree black belt instructor of Aikido Yoshikai, a Japanese martial art, thanks Takashi Kushida, eighth degree black belt who recently visited her class at Oakland Community College. Please turn to Page 3A for more pictures of Kushida's visit.

RANDY BORST/staff photographer

## Arson fight needs help

Michigan insurance companies and state agencies seek help in expanding the fight against arson.

"Arson is a vicious crime that takes hundreds of lives and destroys property worth millions of dollars each year,"

said Terry N. Buckles, president of the Michigan Association of Insurance Companies. "It is more widespread

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## Gunmen clean out local coin shop

A warrant has been issued for one of two suspects in Monday morning's \$18,200 robbery at the Farmington Assay Office, 31633 Grand River.

Police are withholding the suspect's name pending arraignment.

Farmington investigators were tipped off by Warren law enforcement officials who experienced a similar coin store holdup in their city.

As in the Warren case, the gunmen in Farmington "handcuffed the store owner, Tony Martini, after he arrived, at 10:30 a.m. in this case, to open the business.

Martini was left on the floor, arms cuffed behind his back, while the two

men, armed with a handgun and a sawed-off shotgun, emptied a safe of cash, various silver coins and a silver bar.

The two men made their getaway in a 1974 green and white Buick, but not before being observed by employees at the neighboring Household Finance office.

Squad cars from Farmington and Farmington Hills tailed the car after it was sighted at Grand River and Eight Mile, but lost it in heavy traffic at Telegraph and Eight Mile.

No one was injured, and no shots were fired in the incident.

## what's inside



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