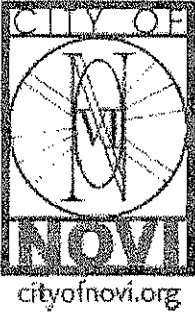


MEMORANDUM



TO: Clay Pearson, City Manager

FROM: Kathy Smith-Roy, Finance Director

CC: Pam Antil, Assistant City Manager
Maryanne Cornelius, City Clerk

SUBJECT: Fox Run Public Hearing and Related Resolution

DATE: July 16, 2008

7/16/08
To: Mayor and City
Council Members
FYI. *[Signature]*

Fox Run Village, Inc. will be utilizing tax exempt bonds issued by the Colorado Authority. Pursuant to IRS Section 147 (f), the entity must hold a Public Hearing and provide a Resolution adopted by the local governing body of the entity(ies) receiving the benefit, which satisfies the "Public Notice" provision of the IRS code.

The Notice of Public Hearing will be advertised this week and will be included on the July 28, * 2008 City Council Agenda, along with the related resolution.

If you have any questions, or need any additional information, please let me know.

No City liability or obligation other than to assist by providing this public hearing forum.

**NOTICE OF PUBLIC HEARING
CITY OF NOVI, MICHIGAN**

Notice is hereby given that the City of Novi, Michigan (the "City") will hold a public hearing on Monday, July 28, 2008 at 7:00 p.m. in the Council Chambers, Novi Civic Center, 45175 W. Ten Mile Road, Novi, Michigan 48375, for the purpose of considering public comment with respect to a resolution which is currently pending before the City Council that approves the issuance of revenue bonds by the Colorado Health Facilities Authority (the "Colorado Authority") to (a) finance and refinance a portion of the costs relating to the acquisition and construction of the Fox Run Village continuing care retirement community, located on an approximately 102 acre parcel of land at 41000 13 Mile Road, Novi, Michigan 48377; and (b) finance the payment of capitalized interest on the bonds, reserve funds, costs of issuance and other related costs of the transaction (collectively, the "Project"). The Project also includes land or interests in land, buildings, landscaping, structures, machinery, equipment, furnishings or other real or personal property located on the same site as the Project. Upon completion and as currently contemplated, the Project will include approximately 1,456 independent living units, 96 assisted living units and 132 skilled nursing units. The Project also will include three community buildings and related support facilities and common areas, including dining rooms, convenience stores, a bank branch, beauty salons, game rooms, an aquatic center, classrooms, a woodworking shop, an in-house cable television station, a non-denominational chapel, walking paths, a nature trail and a health club. Services provided in the common facilities include an on-site medical center and services for residents.

Fox Run Village, Inc. ("Fox Run"), a nonprofit 501(c)(3) organization, will operate the Fox Run Village continuing care retirement community.

Novi Campus, LLC will be the initial owner of the Project and will lease the Project to Fox Run.

The Project is located at 41000 13 Mile Road, Novi, Michigan 48377.

The maximum principal amount of bonds proposed to be issued by the Colorado Authority is \$155 million.

Any interested parties have the right to attend the hearing for the purpose of asking questions or making comments on the proposed approval of the financing by the Colorado Authority. The subject hearing is in satisfaction of Section 147(f) of the Internal Revenue Code of 1986, as amended. The issuance of the Bonds as requested by Fox Run will not constitute a debt or a pledge of the faith and credit of the City, the County of Oakland, Michigan, the State of Michigan, the Colorado Authority, the State of Colorado or any other political subdivision thereof and neither the faith and credit nor the taxing power of the City, the County of Oakland, Michigan, the State of Michigan, the Colorado Authority, the State of Colorado or any other political subdivision thereof will be pledged to the payment of such Bonds but will be payable solely from the revenues derived from Fox Run and pledged to the payment thereof.

For additional information prior to the public hearing, please contact the City's Finance Director at (248) 347-0465.

City of Novi, Michigan