

RESOLUTION APPROVING PROJECT PLAN

special  
Minutes of a ~~regular~~ meeting of the Township Board  
of the Township of Birch Run, County of Saginaw, Michigan,  
held at 7:10 o'clock P.m., Michigan Time, on Sept. 10,  
1979, at which the following members were present: \_\_\_\_\_  
Laurence Courtney, Marcia Strong, Edgar Scharrer, Roger Foster and  
Alvin Block  
and the following were absent: None

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The following preamble and resolution were offered  
by Marcia Strong and supported by  
Roger Foster :

WHEREAS, pursuant to and in accordance with the  
Economic Development Corporations Act, Act 338 of the Public  
Acts of 1974, as amended (the "EDC Act"), this Township  
Board has given notice of a public hearing which was held on  
Sept. 10, 1979; and

WHEREAS, at said public hearing, the fullest  
opportunity was given for expression of opinion, for argu-  
ment on the merits, and for introduction of documentary  
evidence pertinent to the Project Plan, and further, this  
Township Board has given due consideration to all communica-  
tions received in writing with reference thereto; and

WHEREAS, this Township Board made and preserved a  
record of the public hearing, including all data presented  
thereat; and

WHEREAS, this Township Board desires to express  
its approval of said Project Plan and the Project described  
therein, and wishes to request the Economic Development

Corporation of the County of Saginaw to proceed with such Project and the financing thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP BOARD OF THE TOWNSHIP OF BIRCH RUN, AS FOLLOWS:

1. It is hereby determined that the Project Plan for the Birch Run Welding and Fabricating Project of the Economic Development Corporation of the County of Saginaw as presented constitutes a public purpose of the Township of Birch Run and said Project Plan is hereby approved based on the following considerations:

(a) The Plan meets the requirements set forth in Section 8 of Act 338 of 1974, as amended;

(b) The persons who will be active in the management of the Project for not less than one year after the approval of the Project Plan have sufficient ability and experience to manage the Plan properly;

(c) The proposed method of financing the Project is feasible and the Economic Development Corporation of the County of Saginaw has the ability to arrange the financing; and

(d) The Project is reasonable and necessary to carry out the purposes of Act 338 of 1974, as amended.

2. The Economic Development Corporation of the County of Saginaw is hereby requested to proceed with the acquisition of the Project and financing thereof.

3. All resolutions or parts thereof in conflict with this Resolution are hereby repealed, but only to the extent of such conflict.

ADOPTED: Yeas Laurence Courtney, Marcia Strong, Edgar Scharrer,  
Roger Foster and Alvin Block

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Nays None

Abstentions None

STATE OF MICHIGAN )  
                          : SS.  
COUNTY OF SAGINAW )

I hereby certify that the foregoing is a true and complete copy of the minutes of a <sup>special</sup>~~regular~~ meeting of the Township Board of the Township of Birch Run, County of Saginaw, Michigan, held on the 10th day of September, 1979, and that the said minutes are on file in the office of the Township Clerk and are available to the public.

  
\_\_\_\_\_  
Birch Run Township Clerk  
MARCIA STRONG

DATED: September 18, 1979

AMENDED PROJECT PLAN  
FOR BIRCH RUN WELDING & FABRICATING, INC.  
and  
BIRCH RUN INVESTMENT CO., A PARTNERSHIP

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Section 8(4)(a)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES WITHIN THE DEVELOPMENT AREA AND SHALL DESIGNATE THE LOCATION, CHARACTER, AND EXTENT OF THE CATEGORIES OF PUBLIC AND PRIVATE LAND USES THEN EXISTING AND PROPOSED FOR THE PROJECT AREA, INCLUDING RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, AND OTHER USES AND SHALL INCLUDE A LEGAL DESCRIPTION OF THE PROJECT AREA.

The location and extent of existing streets are set forth in the attached Exhibit A. There are not any public facilities within the development area nor are there any public land uses in the development area. The private land uses consist of an approximately 15,000 square feet manufacturing facility. The land will continue to be used for industrial purposes for light manufacturing which is consistent with the present zoning of the property - M-1 Industrial.

Section 8(4)(b)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A DESCRIPTION OF EXISTING IMPROVEMENTS IN THE PROJECT AREA TO BE DEMOLISHED, REPAIRED, OR ALTERED, A DESCRIPTION OF ANY REPAIRS AND ALTERATIONS, AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

None of the existing improvements in the Project Area will be demolished. There will be some alterations and repairs of the existing facility. The present facility is of sheet metal construction and encloses approximately 15,000 square feet. The remodeling will principally consist of rearranging some of the existing equipment to permit a more economical and faster method of production. There will also be some incidental repair work done to the building. It is estimated that it will take no more than six months to make the alterations and repairs indicated.

Section 8(4)(c)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

THE LOCATION, EXTENT, CHARACTER, AND ESTIMATED COST OF THE IMPROVEMENTS INCLUDING REHABILITATION CONTEMPLATED FOR THE PROJECT AREA AND AN ESTIMATE OF THE TIME REQUIRED FOR COMPLETION.

The Project will consist of the construction of a 15,000 square foot addition on to the existing plant facility located at

11160 Dixie Highway, Birch Run, Michigan. The Project Site consists of approximately 3.45 acres of land. In addition to the 15,000 square foot addition, equipment will be purchased such as welders, cranes, grinders and other equipment. It is anticipated that the Project will take approximately six months to complete. The addition will use steel frame construction - the same type of construction used to build the existing facility.

Section 8(4)(d)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A STATEMENT OF THE CONSTRUCTION OR STAGES OF CONSTRUCTION PLANNED, AND THE ESTIMATED TIME OF COMPLETION OF EACH STAGE.

There will only be one stage of construction which as previously indicated will be completed within approximately six months.

Section 8(4)(e)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A DESCRIPTION OF ANY PARTS OF THE PROJECT AREA TO BE LEFT AS OPEN SPACE AND THE USE CONTEMPLATED FOR THE SPACE.

The parts of the Project Area which will be left as open space can be gleaned from the attached drawing, Exhibit A. Although there is not any anticipated use for the open space (other than as indicated on the drawing) additional expansion is possible and cannot be ruled out by designating an area as open space.

Section 8(4)(f)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A DESCRIPTION OF ANY PORTIONS OF THE PROJECT AREA WHICH THE CORPORATION DESIRES TO SELL, DONATE, EXCHANGE, OR LEASE TO OR FROM THE MUNICIPALITY AND THE PROPOSED TERMS.

The Applicants, Birch Run Investment Co., a co-partnership consisting of Harold R. Johnson of 11057 Maple Road, Birch Run, Michigan, and Harold C. Baldauf of 925 Kennely, Apartment 106, Saginaw, Michigan, and Birch Run Welding & Fabricating, Inc., a Michigan corporation, of 11160 Dixie Highway, Birch Run, Michigan, are proposing a joint venture on the project. The applicants will convey the real estate in the Project Area (set forth on Exhibit B) to the Economic Development Corporation of Saginaw County and will also assign to the Economic Development Corporation of Saginaw County the equipment that is to be financed. The Economic Development Corporation of Saginaw County (EDC) would then lease the equipment to Birch Run Welding & Fabricating, Inc. The lease would contain an option to be exercisable by Birch Run Welding & Fabricating, Inc. to purchase the equipment. The option price would be the unpaid principal balance on the revenue bonds or notes that

were issued on the Project (that proportionate share allocated to the equipment). The amount of lease payments would equal the amounts required for the payment of revenue bonds or notes to be issued for the Project (that proportionate share allocated for the equipment). The EDC would lease the real estate to the partnership (Birch Run Investment Co.) who would in turn sublease it to the corporation (Birch Run Welding & Fabricating, Inc.). The lease would contain an option to be exercisable by the partnership at any time to purchase the real estate. The option price would be the unpaid principal balance on the revenue bonds or notes that were issued on the Project for the acquisition of the real estate. The amount of lease payments would equal the amounts required for the payment of revenue bonds or notes to be issued for the project (that portion allocated to real estate). It is contemplated that there would be equal monthly installments to amortize the revenue bonds or notes. However, it could work out that there would be anywhere from four to one payments per year. The length of the term on the lease for the real estate is expected to be between fifteen and twenty years and the expected length of the lease on the equipment is expected to be between ten and fifteen years.

Section 8(4)(g)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A DESCRIPTION OF DESIRED ZONING CHANGES AND CHANGES IN STREETS, STREET LEVELS, INTERSECTIONS, AND UTILITIES.

There are not any required or desired zoning changes or any changes in the streets, street levels, intersections or utilities.

Section 8(4)(h)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A STATEMENT OF THE PROPOSED METHOD OF FINANCING THE PROJECT AND THE ABILITY OF THE CORPORATION TO ARRANGE THE FINANCING.

The Project will be financed through the purchase of the bonds by Frankenmuth Bank & Trust. Frankenmuth Bank & Trust has agreed to purchase the bonds on the Project.

Section 8(4)(i)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

LIST OF PERSONS WHO WILL MANAGE OR BE ASSOCIATED WITH THE MANAGEMENT OF THE PROJECT FOR A PERIOD OF NOT LESS THAN ONE YEAR FROM THE DATE OF APPROVAL OF THE PROJECT PLAN.

Harold R. Johnson, President of Birch Run Welding & Fabricating, Inc. will manage the Project for at least one year after its completion.

Section 8(4)(j)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

DESIGNATION OF THE PERSON OR PERSONS, NATURAL OR CORPORATE, TO WHOM THE PROJECT IS TO BE LEASED, SOLD, OR CONVEYED IN ANY MANNER AND FOR WHOSE BENEFIT THE PROJECT IS BEING UNDERTAKEN IF THAT INFORMATION IS AVAILABLE TO THE CORPORATION.

The equipment portion of the Project will be leased by the EDC to Birch Run Welding & Fabricating, Inc. The EDC will lease the real estate to Birch Run Investment Company, a co-partnership, who will in turn sublease the Project to Birch Run Welding & Fabricating, Inc. Birch Run Welding & Fabricating, Inc. and Birch Run Investment Company are the entities for whose benefit the Project is being undertaken.

Section 8(4)(k)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

IF THERE IS NO EXPRESS OR IMPLIED AGREEMENT BETWEEN THE CORPORATION AND PERSONS, NATURAL OR CORPORATE, THAT THE PROJECT WILL BE LEASED, SOLD, OR CONVEYED IN ANY MANNER TO THOSE PERSONS, THE PROCEDURES FOR BIDDING FOR THE LEASING, PURCHASING, OR CONVEYING IN ANY MANNER OF THE PROJECT UPON ITS COMPLETION.

There is an express or implied agreement that Birch Run Welding & Fabricating, Inc. will lease the personal property of the Project from the Economic Development Corporation of Saginaw County. There is a further express or implied agreement that Birch Run Investment Company will lease the real estate from said EDC and sublease the real estate to Birch Run Welding & Fabricating, Inc.

Section 8(4)(l)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

ESTIMATES OF THE NUMBER OF PERSONS RESIDING IN THE PROJECT AREA AND THE NUMBER OF FAMILIES, AND INDIVIDUALS TO BE DISPLACED. IF OCCUPIED RESIDENCES ARE DESIGNATED FOR ACQUISITION AND CLEARANCE BY THE CORPORATION, A PROJECT PLAN SHALL INCLUDE A SURVEY OF THE FAMILIES AND INDIVIDUALS TO BE DISPLACED, INCLUDING THEIR INCOME AND RACIAL COMPOSITION, A STATISTICAL DESCRIPTION OF THE HOUSING SUPPLY IN THE COMMUNITY, INCLUDING THE NUMBER OF PRIVATE AND PUBLIC UNITS IN EXISTENCE OR UNDER CONSTRUCTION, THE CONDITION OF THOSE IN EXISTENCE, THE NUMBER OF OWNER-OCCUPIED AND RENTER-OCCUPIED UNITS, THE ANNUAL RATE OF TURNOVER OF THE VARIOUS TYPES OF HOUSING AND THE RANGE OF RENTS AND SALE PRICES, AN ESTIMATE OF THE TOTAL DEMAND FOR HOUSING IN THE COMMUNITY, AND THE ESTIMATED CAPACITY OF PRIVATE AND PUBLIC HOUSING AVAILABLE TO DISPLACED FAMILIES AND INDIVIDUALS.

There are no persons living in the Project Area.

Section 8(4)(m)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A PLAN FOR ESTABLISHING PRIORITY FOR THE RELOCATION OF PERSONS DISPLACED BY THE PROJECT IN ANY NEW HOUSING IN THE PROJECT AREA.

No persons will have to be relocated.



Section 8(4)(n)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

PROVISION FOR THE COSTS OF RELOCATING PERSONS DISPLACED BY THE PROJECT AND FINANCIAL ASSISTANCE AND REIMBURSEMENT OF EXPENSES, INCLUDING LITIGATION EXPENSES AND EXPENSES INCIDENT TO THE TRANSFER OF TITLE, IN ACCORDANCE WITH THE STANDARDS AND PROVISIONS OF THE FEDERAL UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, BEING PUBLIC LAW 91-646 U.S.C. SECTIONS 4601, ET SEQ.

Not applicable.

Section 8(4)(o)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

A PLAN FOR COMPLIANCE WITH ACT NO. 227, OF THE PUBLIC ACTS OF 1972, BEING SECTIONS 213.321 to 213.332 OF THE MICHIGAN COMPILED LAWS.

Not applicable.

Section 8(4)(p)  
ECONOMIC DEVELOPMENT CORPORATIONS ACT OF 1974

SUCH OTHER MATERIAL AS THE CORPORATION, LOCAL PUBLIC AGENCY, OR GOVERNING BODY DEEMS PERTINENT.

Birch Run Welding & Fabricating, Inc. is a Michigan corporation whose Articles of Incorporation were filed January 13, 1978. Business commenced in February of 1978. The business was established to meet the demands and requirements of machine tool builders and steel fabricating buyers. The Corporation does steel and metal fabrication work, builds machine bases and parts for machinery, and does some repair work. Its principal market is the State of Michigan. Approximately forty people are employed which consists of the following skilled trades:

Welders  
Layout Men  
Machine Operators

The Corporation needs to enlarge its production capacity to meet the demands of its customers. Some of its customers are Ford, General Motors, Wickes and several machine shops in the area. During the construction phase approximately thirty jobs will be created. After construction is completed up to forty new jobs will be created. The Project will not place any extra demands on County Government. The total cost of the Project is estimated to be approximately \$500,000.

Birch Run Welding & Fabricating, Inc. in its short one year history has done a great deal for its local community. It is the only employer in the Birch Run area that has a vocational program (welding) for high school boys and girls. The vocational program is run through the cooperation of Birch Run High School. In its short history, the corporation has had approximately twenty-three people from the high school working on a co-op basis with them and has now hired approximately ten of the co-op students on a full time basis (since they have now graduated from high school).

A parcel of land in that part of the North 1/2 of the Northeast 1/4 of Section 20, Township 10 North, Range 6 East, lying Westerly of the Dixie Highway, described as follows: To fix the point of beginning, commence at the North 1/4 corner of said Section 20; thence North 89° 32' 32" East, on the North line of said Section 1,112.85 feet to the constructed centerline of the Dixie Highway; thence South 28° 53' 58" East, on said constructed centerline, 884.86 feet to the point of beginning of this description; thence South 28° 53' 58" East, on the constructed centerline of the Dixie Highway, 284.46 feet to a point which is 330.00 feet, North 28° 53' 58" West, from the intersection of said centerline with the North 1/8 line of Section 20; thence South 89° 35' 51" West, parallel to said North 1/8 line, 670.00 feet; thence North 00° 24' 09" West, perpendicular to said 1/8 line, 250.00 feet; thence North 89° 35' 51" East, parallel to said 1/8 line, 534.28 feet to the point of beginning, containing 3.46 acres of land and subject to an existing highway easement for the Dixie Highway, including all improvements located thereon, Birch Run Township, Saginaw County, Michigan.

Located at 11160 Dixie Highway, approximately seven tenths of a mile North of East Birch Run Road and three tenths of a mile South of Canada Road.

EXHIBIT "B"