

# City of Litchfield

## TIFA Meeting Minutes

July 11, 2018

### Call to order

**Chairman Ed Smith** called to order the regular meeting of the Litchfield TIFA at 7:00 p.m. on July 11, 2018 in Litchfield City Hall.

**Chairman Smith conducted a roll call. The following persons were present: Ed Smith, Bill Nobles, Matt Wolfinger, Mike Warren, O.R. Smith and Brendan Sanger (arrive 7:15 p.m.)**

**Absent: Don Failing**

**Others Present:** Clerk Susan Ballinger, Michael Cooper –IB&M, Kevin Grossman-Nex Solutions, Dave Chapman and Burt Buelow.

**Minutes:** A motion was made by O.R. Smith and seconded by Bill Nobles to approve the minutes of the Regular TIFA Meeting held on June 13, 2018. Motion passed unanimously.

**Minutes:** A motion was made by Bill Nobles and seconded by Brendan Sanger to approve the minutes of the Special TIFA Meeting held on June 20, 2018. Motion passed unanimously.

- I. **Balance Sheet and Revenue & Expenditure Statements:** After board review, a motion was made by Mike Warren and seconded by O.R. Smith to accept and place on file the revised June Balance Sheet & Revenue Report. Motion passed unanimously.
- II. **Bills for Approval:** Chairman Smith asked that the check made payable to City of Litchfield in the amount of \$239,410.00 be removed until a later date. A motion was made by Brendan Sanger and seconded by Mike Warren to approve the July bills in the amount \$35,892.86. Motion passed unanimously.
- III. **Manual Checks:** A motion was made by O.R. Smith and seconded by Mike Warren to approve the manual check to Creative Graphics in the amount of \$123.00 Motion passed unanimously.

IV. **Nex-Solutions:** Kevin Grossman updated the board on their financial status with Comerica bank. Kevin stated they are asking the board to put in the \$75,000.00 prior to the close, there has been a multitude of steps that have been taken and this is the last step. Mike has the new forbearance agreement which still needs to be executed; we just received it from Comerica that gives an extension to the end of August. There is also a copy from the MEDC staying in with full support through September. Another part is some of our customers are paying early; we also had \$250,000.00 put into the cash flow statement last week to support the funding, until a new financial source comes into play. After discussion amongst board members O.R. Smith motioned to move the date to provide to Nex-Solutions the \$75,000.00 to the end of this week, being July 12, 2018, supported by Bill Nobles. Motion passed unanimously.

V. **IB&M:** Mr. Cooper informed the board that they are in the cleanup stage of the site to prepare for the ground breaking of the power plant and malt plant here in Litchfield around the end of August. Additionally, Michigan Hub has brought in an engineer to do some site planning and we will have Bryce Associates do an aerial view of our site and plants which help with setbacks of power lines, easements, drains and roads. Mr. Cooper gave an explanation to the board on what brought them to Litchfield. At the peak of their expansion they will have around 200 workers on site and we have a crisis of lodging and food. Our marketing plan is to bring our best customers here to Litchfield to spend time with us, we will go through some sensory exercises at the plant, have lunch, show them how we make our malt, have dinner, then put them up at an overnight location and then the next morning pick them up and the customer's product that they developed in the sensory room will be bagged up and sent home with the customer that day and that is how we make our sale. The golf course is an opportunity to produce some finer foods and craft beer. We also would like to build some lodging at the golf course.

Michael Cooper presented the board with a draft Letter of Intent pertaining to the Litchfield Greens Golf Course and Restaurant acquisition and development. This is a very simple proposal to start negotiating an agreement. We are eager for your input and as you know we have partners. The Scott family of Gull Lake View Golf Course, today they are our golf consultant and they have done a white paper on the project and they are working through the perform of the project with us and they have put together a marketing plan for us and we will have a shared marketing opportunity where our customers can go to their course and have discounts and have group events there as well. That gives us inside support for our golf management operations. We also have a Letter of Intent now with the owners of the Grand River Brewery Company; they own a winery and several breweries. We intend on applying for a resort license and in regard to the housing, we plan to have a residency in housing duplex style. This will be a great fit for others within the industrial park whose customers need housing.

Today the capital going into the Michigan Hub project with the minimum steel and cement going into the ground is about \$70 million dollars. The minimum that we will put into our project is about \$70 million dollars. Our goal is to attract other industrial businesses to the Michigan Hub site and because all capital projects are going up within 10 years there will be about \$1 billion dollars in steel and cement coming to Litchfield because of the power plant.

Chairman Smith asked the board members to take the Letter of Intent information home to review and come back at their next meeting with any additions and/or deletions.

- VI. Burt Buelow:** Mr. Buelow informed the board that he is interested in purchasing a lot in Phase 4 of Hawthorn Heights. Mr. Buelow currently sold his home which is located on Chestnut Street in Hawthorn Heights. Mr. Buelow stated that he and his wife have picked out Lot 81 which is located in Phase 4, the house will be a total of 1680 sq. ft. Both he and his wife have reviewed the covenants and the house they are planning to build meets all of the requirements for that phase. Mr. Buelow wanted to know what he needed to do to get this started and approved. The board instructed Mr. Buelow that once his house plans are finished, drop them off at the city office and the office staff will set up a meeting with Architectural Control

Committee for their review and approve the house design and make sure the house meets all of Phase 4 covenants. The board stated they don't see any problems with approving the home to be built and meeting the required specs.

**VII. Thursday Night Golf League Request:** Litchfield Greens Thursday Night League President is looking for the board's approval to close the golf course to the public on September 8, 2018 between the hours of 1 p.m. – 4 p.m. for their awards dinner. O.R. Smith motioned to approve the league's request to close the golf course to the public on Saturday, September 8, 2018 between 1 p.m. – 4 p.m., supported by Bill Nobles. Motion passed unanimously.

**Adjournment:** A motion was made by O.R. Smith and seconded by Brendan Sanger to adjourn the July 11, 2018 meeting at 8:10 p.m. Motion passed unanimously.

**Attested: Susan Ballinger, Clerk City of Litchfield July 11, 2018.**