

City of Litchfield

TIFA Regular Meeting Minutes

July 10, 2019

Call to order

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00 p.m. on July 10, 2019 in Litchfield City Hall.

Chairman Smith conducted a roll call. The following persons were present: Ed Smith, Bill Nobles, Matt Wolfinger, O.R. Smith, Don Failing, Mike Warren, and Brendan Sanger

Absent: None

Others Present: Ralph Schaffer of Arbor Design Homes, Todd Rutledge of Legendary Homes, Debbie Spencer of Legendary Homes and Doug Terry, TIFA Administrator

- I. Minutes: A motion was made by Don Failing and seconded by O.R. Smith to approve the minutes of the Special TIFA Meeting held on June 20, 2019. Motion passed unanimously.
- II. Housing Update: Ralph Schaffer of Arbor Design Homes presented the TIFA Board with a proposal to purchase any available lots within Phase I of Hawthorn Heights. It is Mr. Schaffer's intent to place HUD Manufactured Home on a concrete pad which is acceptable with covenants of Phase I. Mr. Schaffer stated that it was his intent to sell the home and property in the range of \$150,000 to \$160,000. Mr. Rutledge explained it would be his company's intent to place a manufactured home somewhere in Hawthorn Heights preferably in Phase IV. Mr. Schaffer stated that by having two developers marketing Hawthorn Heights that it would draw more possible buyers to Litchfield. Discussion then ensued concerning the covenants for each of the phases in Hawthorn Heights. There was some confusion as to where Phase I started and ended. It was determined that Mr. Schaffer would buy Lots 22 and 24. TIFA Board authorized Doug Terry to direct Wolverine Engineers and Surveyors to revise the master Hawthorn Heights Map to reflect the delineation of all phases in Hawthorn Heights. Discussion then proceeded concerning lot

prices and utility costs. Doug Terry informed the TIFA Board that utility hook-up fee schedule is \$1,000 for water and \$1,500 for sewer. Because utility fees were governed by City Council, only City Council could amend, or reduce the hook-up fees. After much discussion a motion was made by Matt Wolfinger and seconded by O.R. Smith to provide one lot a piece to both developers for \$1.00 with the understanding that all provisions of the covenants would be followed. Motion passed unanimously.

- III. **Balance Sheet and Revenue & Expenditure Statements:** After board review, a motion was made by O.R. Smith and seconded by Don Failing to accept and place on file for audit the June 2019 Balance Sheet & Revenue Report. Motion passed unanimously.
- IV. **Faulkner Property:** Chairman Ed Smith brought up for discussion the purchase of the Faulkner property. O.R. Smith inquired as to the necessity of purchasing the Faulkner property when we already own 74 acres that is not being utilized for industrial development. Ed Smith responded that the proposed purchase of a contiguous 50.93 acres would provide the opportunity for a large-scale industrial development that could be conjoined with the 74 acres. The property would still be leased out for agricultural purposes until such time as a manufacturer needed a large space. A motion was made by Brendan Sanger and seconded by Don Failing to purchase the 50.93 acres from the Helen Faulkner Trust for \$5,500 an acre for a total price of \$280,115. Motion passed unanimously. Discussion then ensued concerning title and annexation. A motion was made by Brendan Sanger and seconded by Don Failing to title the property in the City of Litchfield's name so that the property can be annexed immediately into the City of Litchfield. Motion passed unanimously.
- V. **Bills:** A motion was made by O.R. Smith and seconded by Don Failing to approve the June bills in the amount of \$28,913.69 Motion passed unanimously.
- VI. **Manual Checks:** A motion was made by Don Failing to approve the manual checks in the amount of \$17,996.39. Motion was seconded by O.R. Smith. Motion passed unanimously.

VII. City Manager Report: Doug Terry reported that a wind-down has taken place at NexSolutions. Mike Flint had notified Doug Terry earlier in the week that Comerica ordered the liquidation with DWH overseeing the closure. He also reported that TIFA will see a \$1.2 million loss in the outstanding loans with NexSolutions.

VIII. Adjournment: A motion was made by Brendan Sanger and seconded by Don Failing to adjourn the July 10, 2019 meeting at 8:30 p.m. Motion passed unanimously.

Attested: Douglas K. Terry, TIFA Administrator, July 10, 2019