

City of Litchfield

TIFA Meeting Minutes

November 12, 2014

Call to order

Chairman Ed Smith called to order the regular meeting of the **Litchfield TIFA** at **7:00pm** on **November 12, 2014** in **Litchfield City Hall**.

Chairman Smith conducted a roll call. The following persons were present: Brendan Sanger, Bill Nobles, Ed Smith, Mike Warren, Roger Winchell

Absent: Don Failing

Others Present: Sue Smith, Hillsdale Economic Development Partnership; Bill Rayl, Jackson Area Manufactures Association; Steve Schlumm; City Resident, Doug Terry TIFA Administrator

I. Approval of minutes from last meeting

Chairman Smith asked for approval of meeting minutes of both September 24, 2014 and October 8, 2014. Motion by Nobles, second by Winchell to approve September 24, 2014 minutes; Motion passed unanimously. Motion by Nobles and second by Sanger to approve October 8, 2014 minutes. Motion passed unanimously.

II. Approval of Balance Sheet and Finances

Motion to approve November 2014 Balance Sheet and Expenditures: Motion by Warren second by Winchell; Motion passed.

III. Litchfield Initiative Report and Action City Manager Terry explained to the TIFA Board that many questions were asked at the last meeting and that some of the principal representatives were in attendance to answer and address the TIFA Boards concerns with the proposed purchase of 181 Simpson Drive owned by Kim Nolan. Bill Rayl from JAMA explained the need of space for training vocational and manufacturing skills for a future work-force. Chairman Smith

asked Mr. Rayl about revenue projections. Mr. Rayl explained in detail the need for classroom and laboratory facilities to keep pace with the demand of skilled employees. Because of the desperate need for skilled labor, Mr. Rayl felt very confident that any classes that were taught in the facility would be adequate to help cover operating costs. JAMA is confident that the area demand by manufacturer's for skilled labor does necessitate the need for training. Since Litchfield does host the largest concentration for manufacturing, it only makes sense to locate a facility that can be utilized within close proximity. Mike Warren felt it is critical that the proposed facility be self-sufficient. Bill Rayl explained there is a demonstrated need for skilled work-force. Sue Smith explained her conversations with local manufacturers and stated their need for CNC operators, Robotic repair and programming, and Welders. Sue Smith also offered a letter from Jackson College stating their need for a location near or in Litchfield to offer college level vocational training. Doug Terry asked Bill Rayl if the proposed building would be flexible enough to keep-up with future technology. Bill suggested that with the possibility of fiber-optics, that televised teaching would be possible in the future. After more board discussion a motion was made by Warren to purchase the building at 181 Simpson Drive for manufacturing training for \$225,000 and to offer a loan draw-down of \$150,000 to \$200,000 for renovations with a ten (10) year with the stipulation that the Litchfield Initiative LLC be responsible for the operation and renovation of the building. Second by Sanger. Motion passed unanimously.

IV. Visitors Mr. Steve Schlumm was in attendance and stated he was just interested in what was going on.

V. City Manager Report Doug Terry reported that Mayor Ed Smith and he attended a public hearing at the State of Michigan Boundary Commission in Lansing on Wednesday, November 5, 2014. The State Boundary Commission set a public hearing to discuss and decide on the request to annex 117 acres of the golf course (Litchfield Greens) in the Litchfield City Limits. Both Ed Smith and Doug Terry explained the State Boundary Commission decision to approve the annexation application and forward their decision to the Director of Licensing and Regulatory Affairs.

- VI. Golf Course Purchase Discussion** TIFA Board Members wanted to make sure that that all assets were accounted for. Board members also wanted an update on the progress of finding an owner/operator. Ed Smith informed the Board Members that Jack Smith was in contact with a few good prospects.
- VII. DPW Building Purchase** Ed Smith asked the TIFA Board if they would reconsider the original interest rate of 2% of a twenty-five (25) year loan to the City of Litchfield for the purchase of the Robert James Building located at 928 Anderson Rd. A loan of \$250,000 was granted at the last TIFA Board Meeting on October 8, 2014. Ed Smith's justification was that TIFA is part of the City of Litchfield and that the building and property will provide the city with many years of service. After discussion a motion was made by Mike Warren and second by Bill Nobles to eliminate the interest obligation to City of Litchfield for this loan. A roll call vote was taken with Warren-yes, Nobles-yes, Winchell-yes, Smith-yes and Sanger voting no. Motion passed four to one.
- VIII. Investments** Motion by Warren, seconded by Winchell to request City Treasurer to invest TIFA funds for the best interest rate for thirty to ninety days. Motion approved.
- IX. Manual Checks** A motion was made by Warren, seconded by Winchell to approve checks in the amount of \$44,145.75. Motion passed.
- X. Bills for Approval** A motion was made by Winchell, seconded by Warren to approve manual checks in the amount of \$27,373.00. Motion passed.
- XI. Employee Performance Pay** A motion was made Warren and seconded by Winchell to authorize TIFA to pay a performance bonus to City of Litchfield employees in the amount of \$125.00 to full time employees and \$62.50 for part-time employees. Motion passed

Adjournment: Motion by Warren, second by Winchell to adjourn. Motion passed unanimously.

Attested: Douglas K. Terry November 12, 2014

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