

City of Litchfield

TIFA Meeting Minutes

November 9, 2016

REVISED 12/20/2016

Call to order

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00pm on November 9, 2016 in Litchfield City Hall.

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

Absent: None

Others Present: Doug Terry TIFA Administrator, Mike Hart, Plant Engineer for Speedrack

Minutes: A motion was made by Failing and seconded by Sanger to approve the minutes of the TIFA Meeting held on October 12, 2016. Motion passed unanimously.

- I. **Balance Sheet and Revenue & Expenditure Statements:** After Board review, a motion was made by Warren and seconded by Winchell to accept and place on file the October Balance Sheet & Revenue Report. Motion passed unanimously.
- II. **Speedrack Discussion:** Doug Terry provided TIFA Board Members with a status report and history of the discussions and negotiations with Speedrack representatives. Doug explained that there was discussion of a low interest loan to help off-set costs associated with the environmental improvements on the premises. Mr. Mike Hart, Plant Engineer of Speedrack stated that the total investment in the Litchfield facility is approximately five million dollars (\$5,000,000.) with the creation of forty (40) new jobs. Mike also explained to the TIFA Board Members the manufacturing process Speedrack uses. **After Board discussion, a motion was made by Mike Warren and seconded by Don Failing, to approve a loan to Speedrack in the amount of \$262,000 at an annual interest rate of 2 percent with**

interest accruing upon receipt of check amortized over four years with payments due beginning on January 1, 2018 and semi-annual payments thereafter for a period of five years. A motion by Sanger and seconded by Failing to amend Mike Warren's motion to reflect a non-subordinated loan document. Motion passed unanimously.

- III. Finishing Touch Discussion:** Doug Terry presented a request from Tom VanAuken owner of Finishing Touch for a \$250,000 loan for operations. Doug Terry informed the TIFA Board Members of recent conversations he had with Mr. VanAuken and explained the breakdown of his request. After short discussion, it was the consensus of the TIFA Board Members to encourage Mr. VanAuken to seek private sector loans first.
- IV. City Manager Report:** TIFA Administrator Doug Terry explained to the TIFA Board Members the status of the Hi-Lex expansion. Doug Terry also recapped the chronological order of the Gonzalez collapse. A brief discussion was held concerning the State of Michigan reimbursement to TIFA for the loss of personal property taxes.
- V. Golf Course Report:** Don Failing stated that he felt the TIFA Board and the City administration should move more aggressively in finding a new owner-operator of the golf course. Terry stated that Jack Smith was in discussion with three different parties that may be interested.
- VI. Bills for Approval:** A motion was made by Sanger and seconded by Failing to approve the TIFA Board bills in the amount of \$16,396.50. Motion passed unanimously.
- VII. Manual Checks:** A motion was made by Failing and seconded by Winchell to approve the manual checks in the amount of \$2,070.00. Motion passed unanimously.
- VIII. Investments:** There were no investments this month.

Adjournment: A motion was made by Sanger and seconded by Failing to adjourn the November 9, 2016 meeting at 8:50 pm. Motion passed unanimously.

Attested: Douglas K. Terry, TIFA Administrator November 9, 2016