

City of Litchfield

TIFA Meeting Minutes

June 10, 2015

Call to order

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00pm on **June 10, 2015** in **Litchfield City Hall**.

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

Absent: None

Others Present: Felix Gonzalez, Felix Gonzalez III, Tony Langhann, DPW Superintendent, Staci Lewis Golf Course Mgr., Doug Terry TIFA Administrator, Sue Smith of the Hillsdale EDP, Randy Yagiela, Transformation Connection.

- I. **Minutes:** A motion was made by Warren and seconded by Nobles to approve the minutes of the TIFA Meeting held on May 13, 2015. Motion passed unanimously.

- II. **Gonzalez Group:** Chairman Smith opened the meeting with a request from the Gonzalez Group for additional financing. Felix Gonzalez explained to board members that recent contracts with suppliers have put the Gonzalez Group in a serious cash flow situation. Doug Terry stated that recent conversations with "Grow Michigan" and Comerica Bank to help partner with financing immediate cash flow have been successful. Felix Gonzalez III stated project start-ups and a lack of qualified employees have put the Gonzalez Group behind with suppliers. Mike Warren asked Felix Gonzalez Sr. what was the worst case scenario. Felix Gonzalez Sr. stated that suppliers would no longer keep providing raw materials which would shut down production. A motion was made by Mike Warren to extend a loan of \$150,000 with 2% interest with payments to start one (1) year from June 1, 2015. Motion was seconded by Nobles. Voting in favor of the motion were

Nobles, Warren, Failing, Winchell, and Smith. Opposed: Brendan Sanger. Motion approved five for; one against.

III. Transformation Connection: Mr. Randy Yagiela updated the board members on a grant which was awarded to the City of Litchfield in the amount of \$55,000 for the purpose of making technology improvements to the new Litchfield Regional Training Center. The grant is through the U.S. Department of Agriculture – Rural Development Office. Bill Nobles also updated the board of new classes scheduled this summer and planned improvements for the building.

IV. Approval of minutes from previous meeting

Chairman Smith asked for approval of meeting minutes of May 13, 2015. Motion by Failing, second by Sanger to approve. Motion passed unanimously.

V. Balance Sheet and Revenue & Expenditure Statements

A motion by Sanger, and second by Failing to approve May report and place on file. Motion passed unanimously.

VI. City Manager Report

City Manager Terry presented a report on the golf course. Mr. Terry introduced Ms. Staci Lewis, Golf Course Manager. Discussion ensued concerning the Friday golf rates. The Board agreed to lower the rates reflective of group packages. Mr. Terry asked the TIFA Board to consider purchasing a tractor to help with irrigation pumping and material handling. Roger Winchell felt that TIFA already had a significant investment in the golf course and felt we should utilize all of the equipment as long as we can or until the equipment fails. Without vote, it was the board's consensus to agree with Mr. Winchell. A motion was made by Failing and seconded by Nobles to develop a rental rate for the golf course facilities for private and public gatherings. Motion passed. Mr. Terry also advised the board about the dilapidated house located on the property. Board members felt that the house should be torn down. It was the consensus of the Board to direct Mr. Terry to prepare and advertise proposals for demolition. Mr. Failing suggested the TIFA Board consider marketing and advertising the golf course in the near future, in professional periodicals for sale. Mr. Terry asked the board if they were interested

in listing Hawthorne Heights lots with Coldwell-Banker in Hillsdale. Board consensus was no. Sue Smith of the Hillsdale Economic Development Partnership suggested that she would discuss the issue with the Hillsdale County Board of Realtors.

VII. Investments There were no investments this month.

VIII. Bills for Approval A motion was made by Warren, seconded by Failing to approve bills in the amount of \$23,675.74 Motion passed unanimously.

IX. Manual Checks A motion was made to approve the manual checks in the amount of \$101,670.62 by Warren, seconded by Winchell. Motion passed unanimously.

Board discussion and Update Chairman Smith reported that there will be a closing on the condominium located at 427 E. Birch. Jim and Janice White are the new owners.

Adjournment A motion was made by Failing and seconded by Sanger to adjourn the June 10, 2015 meeting at 9:10 pm. Motion passed unanimously.

Attested: Douglas K. Terry, TIFA Administrator June 10, 2015