

City of Litchfield
TIFA Meeting Minutes
July 12, 2017

Call to order

Chairman Ed Smith called to order the regular meeting of the **Litchfield TIFA** at **7:00 p.m.** on **July 12, 2017** at the Litchfield City Hall.

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

Absent: Roger Winchell and Mike Warren

Others Present: Doug Terry - TIFA Administrator

Minutes: A motion was made by Nobles and seconded by Failing to approve the minutes of the Regular TIFA Meeting held on June 21, 2017. Motion passed unanimously.

- I. **Balance Sheet and Revenue & Expenditure Statements:** After board review, a motion was made by Sanger and seconded by Failing to accept and place on file the June Balance Sheet & Revenue Report. Motion passed unanimously.
- II. **Subordination Agreement Nex Solutions:** TIFA Administrator Doug Terry presented the TIFA Board members with a proposed subordination agreement for Nex Solutions and Comerica Bank. Terry had explained that Mike Flint requested that the TIFA Board give consideration in deferring the loan payable note so that those intended funds could be paid to Comerica Bank instead. Terry explained that Comerica Bank has increased their payment plan requirements with Nex Solutions. Board members voiced their concerns about Comerica and their willingness to be flexible. Some board members expressed that TIFA must be more selective in dealing with future capital lenders. A motion was made by Nobles and seconded by Smith to enter into a subordination agreement with Comerica allowing payments that were made to TIFA be allowed to be made to Comerica Bank. Those for the motion: Nobles, Failing, Wolfinger, and Smith. Those voting against the motion: Sanger. Motion passed four to one.
- III. **City Manager Report:** Doug Terry reported that he along with Mayor Smith have been working with Doug Todd of Berkshire-Hathaway Realty out of Grand Rapids in sale of the former Gonzalez building and property. Terry presented a copy of a draft purchase agreement. Acting with regard to TIFA discussions have been taking place with regards to TIFA purchasing the building. However, the current proposed document needs to place any environmental concerns or exposures with its current owner Comerica Bank. Discussion also included the bankruptcy procedures and Comerica Bank as the largest creditor. After review of the proposed draft purchase agreement, a motion was made by

Sanger and seconded by Wolfinger to proceed with serious discussion and tentative approval in purchasing the former Gonzalez Building and property. Those for the motion; Nobles, Wolfinger, Sanger and Smith. Those against the motion: Failing. Motion passed four to one. Doug Terry also informed the board that again we have received no progress in retrieving the golf course liquor license despite working with State Representative Eric Leutheuser. Terry also commented on other projects including the Hi-Lex expansion, Power Plant reuse and American Axel's acquirement of Metaldyne.

- IV. **Bills for Approval:** A motion was made by Wolfinger and seconded by Failing to pay the June bills in the amount of \$24,135.35. Motion passed unanimously.
- V. **Manual Checks:** A motion was made by Sanger and seconded by Failing to approve the manual checks in the amount of \$14,143.03. Motion passed unanimously.
- VI. **Training Center Report:** Bill Nobles informed the TIFA Board Members of the training schedule and construction upgrades.

Adjournment: A motion was made by Failing and seconded by Sanger to adjourn the July 12, 2017 meeting at 7:55 p.m. Motion passed unanimously.

Attested: Douglas K. Terry, TIFA Administrator, July 12, 2017