

**City of Litchfield**  
**TIFA Meeting Minutes**

July 2, 2014

**I. Call to order**

Chairman Ed Smith called to order the regular meeting of the Litchfield TIFA at 7:00pm on November 13, 2013 in Litchfield City Hall.

**II. Chairman Smith conducted a roll call. The following persons were present: Roger Winchell, Brendon Sanger, Don Failing, Bill Nobles, Ed Smith**

**Absent: Mike Warren**

**III. Approval of minutes from last meeting**

Motion to approve the minutes from the last meeting- June 11, 2013. Motion by Winchell, Second by Sanger. The minutes were approved as presented.

**IV. Approval of Balance Sheet and Finances**

Motion to approve June 2014 Balance Sheet and Expenditures: Motion by Sanger second by Failing; Motion passed.

**V. New business**

Chairman Smith welcomed guests which included Felix Gonzales of the Gonzales Group and Darrin O'Dell of Rainbow Cleaners. Chairman Smith called upon Mr. Gonzales to present his request for

funds for a large expansion. Mr. Gonzales reported that the Gonzales Group was successful in retrieving a large contract from the Eaton Corporation to produce and machine several hundred different fittings specifically for Eaton. The contract is estimate to be worth \$5 million. Mr. Gonzales went on to explain that he had been in several discussions with PNC Bank and stated their unwillingness to participate in this proposed expansion. Mr. Gonzales further explained that because of this very large order that there would be a need expand the Litchfield facility and equipment. Chairman Smith thanked Mr. Gonzales for his explanation and the investment in Litchfield and the TIFA Board would deliberate and get back with him in the near future. Next, Mr. Darrin O'Dell of Rainbow International, explained to TIFA Board members of his desire to develop the former nursing home facility as a temporary residence for both displaced home-owners and executive personnel working on projects in the industrial park. His administrative assistant, Ms. Sue Michaels described Rainbows' growth plan which includes more employees. It is their intent to showcase the building as an example for all Rainbow distributorships. Mr. O'Dell explained the loan request is intended to develop rooms to accommodate vendors, technicians, and disaster victims. Darrin explained that his approach would be to develop rooms which would differentiate from other tenants. Chairman Smith thanked Darrin Odell

and his team for addressing the TIFA Board. After both parties left the City Hall, TIFA Board members began to discuss and deliberate. Discussion concerning Rainbow began first. Chairman Smith state that both proposals and presentations were very professional. He stated that both proposals had a lot of merit for consideration. Discussion ensued with Gonzales request. Chairman Smith stated we should give serious consideration to Mr. Gonzales request. He further stated that the TIFA Board should accommodate this loan request since the Gonzales Group maintained an excellent payment history. Both Failing and Winchell felt that a loan would be good. Motion by Sanger, seconded Failing that the TIFA Board will loan the Gonzales Group \$500,000 at 2% for 15 years amortized over 14 years with the first year deferred. Motion passed unanimously.

Rainbow International. Board members felt that more information was needed prior to extending any loan arrangements. Board members also felt that perhaps another loan or investment entity should be involved. The TIFA Board would seriously look at loan guarantees. Board members directed Doug Terry to reach out to Darrin O'Dell and retrieve more information and also to seek other lending partners.

## **VII. City Manager Report**

City Manager Terry reported that he and Mayor Ed Smith met with Rick Jenkins P.E. to review the deterioration of Hawthorn Heights #4 roads. Mr. Jenkins suggested that #4 should video-taped to identify any deficiencies or subsurface abnormalities. After brief discussion the Board authorized the City Manager to contract with an experienced underground contractor to video-inspect Hawthorn Heights #4 underground not exceed \$4,000. Motion by Failing, seconded by Nobles. Motion passed unanimously.

City Manager Terry also informed Board members the he and Mayor Smith have been looking at the Robert James Building as possible new DPW Building. City Manager Terry asked the Board if they would be willing to loan the City of Litchfield \$245,000 toward the purchase. TIFA Board members felt that because the city and TIFA work closely that a possible grant for this project would be appropriate. While no firm decisions have been made, City Manager Terry informed board that this project probably would not proceed until sometime this fall. More details need to be worked out.

**Bills for Approval.** A motion was made by Failing and seconded by Winchell to approve the payment of bills in the amount of \$38,528.63. Motion passed unanimously.

**Manuel Checks.** A motion was made by Failing, seconded by Winchell to approve the manual checks in the amount of \$10,566.6. Motion passed unanimously

**Adjournment:** Motion by Failing, seconded by Nobles to Adjourn. Motion Passed unanimously.

**Attested:** Douglas K. Terry November 13, 2013