

City of Litchfield
TIFA Meeting Minutes

October 8, 2014

Call to order

Chairman Ed Smith called to order the regular meeting of the **Litchfield TIFA** at 7:00pm on **October 8, 2014** in **Litchfield City Hall**.

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

Absent: None

Others Present: Janet Barton, Litchfield Librarian, Oakley Gagnon, Litchfield Library Trustee, Carlton Evans, Litchfield Township resident, Sue Smith Hillsdale County EDP, Jack Smith, Litchfield Insurance, Doug Terry TIFA Administrator

I. Approval of minutes from last meeting

City Manager Terry reported that there were no prepared minutes to approve at this time. September and October will be presented at the November Meeting

II. Approval of Balance Sheet and Finances

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

III. Visitors

Carlton Evans addressed the TIFA Board. He was interested in how TIFA operates and the capture of the Litchfield District Library Millage. He felt that the library does a good job of providing services to the area and would like answers to questions how TIFA works. City Manager Terry explained the process of tax incremental capture works in Michigan and specifically in Litchfield. Don Failing felt since TIFA existence many jobs and other city growth like Hawthorn Heights has provided good tax base for the library.

Brendan Sanger would never support relinquishing or deviation of TIFA for anything other than what the TIFA Board decides and is proper with its mission. Mrs. Oakley disagreed that the Litchfield Library benefits from TIFA. She feels that the physical size of the current library is too small. Chairman Smith feels that the Litchfield District Library has benefited from TIFA. He stated that TIFA spent over \$40,000 dollars for architectural fees for the design of a new library. Mike Warren stated his concern that even with a new library, the operational costs would be overwhelming.

IV. Litchfield Vocational Center City Manager Terry explained the process of how events and investigation of costs and operations best established the Nolan Building as the best fit for investment for the proposed vocational training building. Don Failing felt that with everything presented to the TIFA Board, that we would be depleting too much of the fund balance. Bill Nobles explained the proposed EDA Grant and the possible funding of renovations and equipment. Roger Winchell asked about who would take care of any building repairs or maintenance. Bill Nobles explained the *Memorandum of Understanding* (MOU) between the Litchfield Initiative and Jackson Area Manufactures Association (JAMA), and Jackson College would capture part of any tuition costs to help recover operational and capital costs. Brendan Sanger felt that he does not have enough number projections to render a decision. Mike Warren reminded the TIFA Board members that this project has been discussed at previous meetings. He suggested bringing the principal players back to render a final decision. Sue Smith from the Hillsdale Economic Development Partnership described to Board members the details of some of the grant opportunities for this project. She also stated that her conversations with the industrial park managers, the need for trained personnel. It was the consensus of the Board members to reconvene at the most convenient time to discuss the details of the project with all interest parties.

V. Loan Request to the City of Litchfield City Manager Terry addressed the TIFA seeking permission to borrow \$250,000 for the purpose purchasing 928 Anderson Rd. and improvements for the purpose of utilizing the building and property for the Department of Public Works. Terry went on to explain that the building and property

adjoins a current city owned property used for a well and that the actual purpose of the building is two hundred twenty five thousand dollars (\$225,000) and that twenty five thousand dollars (\$25,000) would be utilized for land and building improvements such as security fencing. Both Don Failing and Brendan Sanger liked the idea but were concerned with dwindling fund balance in the TIFA Fund. A motion was made by Warren to allow the City of Litchfield to borrow \$250,000 at two percent 2% for twenty five years for the purpose purchasing 928 Anderson Rd. Motion was seconded by Nobles.

Warren –Yes, Nobles –Yes, Winchell – Yes, Smith – Yes, Failing – No, Sanger – No. Motion passed 4-2

VI. Golf Course Discussion and Action Chairman Smith explained that Laura Brubaker was seeking an asking price Six hundred twenty thousand dollars (\$620,000). Chairman Smith also explained the efforts that were being made to find a purchaser for the golf course and that we posed the question to Board members for discussion of the possibility of TIFA temporarily purchasing the property until a sincere buyer appears. Jack Smith reported his efforts and discussions with possible interested investors. A motion was made to authorize Chairman Smith to proceed to purchase the golf course not to exceed \$625,000 by Warren and seconded by Failing. Motion passed unanimously.

VII. Hillsdale Economic Development Partnership Dinner Sue Smith advised the TIFA Board Members that the Annual EDP Dinner was set for Monday, October 20, 2014 at Olivia's in Jonesville starting at 5:30 pm. She encouraged all members to attend.

VIII. Manual Checks A motion was made by Failing, seconded by Sanger to approve manual checks in the amount of \$18,559.77. Motion passed.

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

Attested: Douglas K. Terry October 8, 2014