



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

February 18, 2014

Members Present:

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| Bob Heuchan | President |
| Jay Goad | Vice-President |
| BJ Deppe | Secretary |
| Rob Henderson | Member |
| Richard Wertz | Member |
| Danny Vaught | Franklin Community School Corporation Representative |

Others Present:

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| Rob H. Schafstall | Legal Counsel |
| Krista Linke | Director of Community Development |
| Jaime Shilts | Recording Secretary |

Call to Order:

Bob Heuchan called the meeting to order at 8:00 a.m.

Approval of Minutes:

Richard Wertz made a motion to approve the January 21, 2014 minutes as presented. Rob Henderson seconded the motion. Jay Goad questioned the amount of the 62% lost to the school corporation; Dr. Clendening stated that is correct in three of the funds. The motion carried.

Rob Henderson clarified that Jay Goad should be listed as Vice President. Rob Henderson made a motion to approve the January 29, 2014 minutes with the correction. Jay Goad seconded the motion. The motion carried.

Old Business:

FDC:

Steve Woods, FDC, stated that the FDC did receive funding from the City. He stated they have been receiving more applications and have approved 3 grants. The Communications Committee is interested in reaching out to the RDC as they want communication to go both ways.

55 W. Madison Street Offerings:

One proposal was received and opened at the meeting. The proposal was from Phil Warrenburg. Mr. Warrenburg stated the proposal is for the purchase and improvements of the property. He stated they would have a restaurant and brewery in the building. Mr. Heuchan stated that the Board will look over the proposal. Mr. Warrenburg stated there are contingencies concerning the building. Mr. Heuchan stated they will wait until the March meeting to discuss the proposal. Mr. Warrenburg stated they were hoping the restaurant would open at the end of this year and the brewery sometime next year.

Richard Wertz made a motion to proceed with a Phase 1 environmental study. Jay Goad seconded the motion. The motion carried. Mr. Henderson stated that he would assist with getting the bids.

Shell Building Update:

Mr. Henderson stated that Runnebohm is still securing financing on the building. They asked for names of brokers to help market the building.

56-58 E. Jefferson Street Update:

Mr. Heuchan stated they have been installing an elevator. They are waiting for the weather to break so they can work on the façade. Ms. Linke stated they have received their first draw from the RDC and have placed two draw requests with the FDC.

2014-2018 Cash Flow analysis: Jay Goad:

Mr. Goad stated there were two objectives; the first is to understand the Gateway project and then to match the funding with the resolutions. He stated they are trying to figure out the cash flow concerning the money going out and also the reimbursements. He stated it will be a working document to get a better idea of where they are going forward. Mr. Goad stated they are having trouble getting information prior to 2012 but are working on getting it. Mr. Henderson stated if there is a need to get a third party involved, he'd recommend Stephen Watson for assistance. Mr. Goad stated they are assuming there is about \$3 million to work with. They will continue working on the analysis and will be reporting back.

January 2014 Financial Report:

Ms. Linke stated she changed the format of the report. There are two funds, TIF and Capital funds. Ms. Linke went over all of the current resolutions. Mr. Goad questioned if there were restrictions on the fund. Mr. Schafstall stated that there are, they should be for redevelopment purposes.

Tax Revenue Analysis: Rob Schafstall:

Mr. Schafstall stated that the financials show there was a dip of \$400,000 because of Musicland and the effect of the circuit breakers. He stated that any of the line items that started with the number 99 are personal property taxes. He stated he will have a report itemizing them at the next meeting.

Artcraft Theatre Request: Franklin Heritage, Inc.:

Rob Shilts, Franklin Heritage, stated that they had requested funds at the last meeting to help upgrade the stage. They are looking to have more events Sunday through Thursday nights. The last grant from the RDC was received in 2009 for the façade repair. The FDC matching grant approved in 2013 was for \$100,000. The FDC will award FHI \$100,000 when FHI raises \$200,000. Mr. Shilts stated the funds they are looking for are for the stage upgrades. Mr. Heuchan stated the amount being requested from the RDC is \$100,000. Mr. Henderson questioned if the RDC assisted with any FHI projects. Mr. Shilts stated that they did receive \$50,000 for an interior build-out at 425 E. Jefferson to help bring a business in. Mr. Wertz questioned if there was a match for the FDC grant. Mr. Shilts stated they have a private donor commitment that they are waiting to receive. They have raised \$26,000 for the stage thus far.

Mr. Heuchan stated that since there is already an unresolved gift pending through the FDC, that they'd like to hold off for now. Mr. Henderson stated that they are hesitant as they were just given the property on Madison Street. He stated that structure could be sold and those funds used. Mr. Goad questioned if there was a plan set for raising the funds to complete the restoration of the theatre. Mr. Shilts stated they don't have firm numbers set but the board has discussed it.

Franklin Community School Corporation Funding Request:

Dr. Clendening, Franklin Community Schools Superintendent, stated they requested funding for Chrome books. Jeff Mercer, School Corporation Director of Finance, stated the school rates number 9 in funds lost in the State of Indiana. He stated they lost \$3.4 million in circuit breaker this year. Leah Wooldridge, assistant principal, stated they are providing professional development to their staff for technology training. Matt Sprout, Director of Technology, stated the cost of the Chrome books is \$504,000 for 1,680 students. The cost per student per year is \$150.00. Mr. Sprout stated they would buy new Chrome books for 7th graders, freshmen and seniors. The total investment for the corporation is \$770,000.

Mr. Heuchan questioned how much the FCSC spends on technology. Mr. Mercer stated he will research it and get the number for the board. Mr. Henderson stated that Mr. Ault and Mr. Hougland from the City Council both wished to convey their thoughts to the RDC that they did not feel TIF money is an appropriate use for the Chrome books. He stated the other City Council members were undecided or needing more information.

Jay Goad made a motion to advertise for the amount of \$500,640 plus the amount needed to advertise. Richard Wertz seconded the motion. Mr. Deppe stated he doesn't think it's an appropriate use of TIF funds.

Jay Goad-yes, Bob Heuchan-yes, Richard Wertz-yes, Rob Henderson-yes, BJ Deppe-no. The motion carried 4-1.

New Business:

Resolution 2014-08: North Main Street Phase 2:

Mr. Underhill stated the first resolution is the cost associated with the construction inspection for Phase 2 of the North Main Street project. He stated the contract has been approved by the BOW. He stated that the RDC will pay for the entire amount but will receive 80% of the funds back.

Richard Wertz made a motion to read the resolution by title only. Jay Goad seconded the motion. The motion carried. A public hearing was held. Mr. Underhill stated the \$880,000 is the construction total.

BJ Deppe made a motion to approve the resolution as presented. Jay Goad seconded the motion. The motion carried.

Resolution 2014-09: North Main Street Phase 2 Match Funding:

Mr. Underhill stated that resolution is for the construction matching fund. He stated they rounded the amount up as they don't have final numbers in yet. The amount is for \$900,000. Ms. Linke stated there is no reimbursement on this amount as it is the matching 20% required from the City on the project.

Richard Wertz made a motion to read the resolution by title only. Jay Goad seconded the motion. The motion carried. A public hearing was held.

Jay Goad made a motion to approve the resolution as presented. Richard Wertz seconded the motion. The motion carried.

Other Business:

Future Infrastructure Improvement Projects Map:

Mr. Underhill stated the map was put together to show the different phasing. He stated it hasn't been discussed and hasn't been revised. He stated the improvements that will happen in 2014 are not a full reconstruction scope project; but it would include lighting, sidewalks, curbs, etc.

Draft Project Priority List:

Mr. Goad stated their intent is to include everything in the cash flow spreadsheet that was mentioned earlier.

Public Comments:

Mr. Goad stated he'd like to have a discussion about taking care of operating expenses at the next meeting. The next meeting will be held on Tuesday, March the 18th, 2014 at 8:00 am.

There being no further business, the meeting was adjourned. Respectfully submitted this 18th day of March, 2014.

Bob Heuchan, President

BJ Deppe, Secretary