



# CITY OF FRANKLIN

Community Development Department

## MINUTES

### REDEVELOPMENT COMMISSION

January 20, 2015

#### **Members Present:**

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

#### **Members Absent:**

Bob Heuchan	President
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#### **Others Present:**

Rhoni Oliver	Community Development Specialist
Jaime Shilts	Recording Secretary

#### **Call to Order:**

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

#### **Election of Officers:**

On a motion by BJ Deppe and a second by Rob Henderson, the members voted to elect Bob Heuchan as President.

On a motion by BJ Deppe and a second by Rob Henderson, the members voted to elect Jay Goad as Vice-President. Jay Goad abstained from the vote.

On a motion by Richard Wertz and a second by Rob Henderson, the members voted to elect BJ Deppe as Secretary. BJ Deppe abstained from the vote.

#### **Appointment of Legal Counsel:**

BJ Deppe made a motion to retain Rob H. Schafstall as legal counsel. Rob Henderson seconded the motion. The motion carried.

#### **Approval of Minutes:**

Richard Wertz made a motion to approve the December 16th, 2014 minutes. Rob Henderson seconded the motion. The motion carried.

#### **Old Business:**

None.

**New Business:**

**Resolution 2014-26/Resolution 2015-01: Elk's Alley Water Main (\$56,500):**

BJ Deppe made a motion to read the resolution by title only. Richard Wertz seconded the motion. The motion carried. The Board decided to rename the project the Water Street to N. Main Alley as the project involves more than just the Elk's building. A public hearing was held.

Richard Wertz made a motion to approve Resolution 2015-01 as amended. Rob Henderson seconded the motion. The motion carried.

**Johnson County East Annex Parking Lot:**

Mayor McGuinness stated that he has had conversations about the inter-local agreement with the County. The City and County did a trade a number of years ago and in that provision the City was to provide the County with the parking spaces in the Oren Wright lot. There are about 90 spaces in the lot. He stated if the City is going to be paying for additional improvements on the parking lot, it would be reasonable to ask the County to pay for additional spaces. He would like to table the discussion to explore the inter-local options further with the Board of Works.

Richard Wertz made a motion to table the discussion and send it back to the Board of Works. BJ Deppe seconded the motion. The motion carried.

**Franklin Elk's Lodge #1818 Economic Development Agreement Discussion: Bob Swinehamer:**

Bob Swinehamer, Elk's Lodge, stated that since the last meeting the interior floors have been completed, the fire suppression system and heating and cooling has been installed, and the interior walls are up. He stated the exterior will be completed as the weather permits. He stated the Elk's Membership has approved taking out a construction loan.

Mr. Swinehamer stated that they had put together an economic development agreement with the RDC in 2013. He stated that part of the agreement stated that they must occupy the property. They have not moved the business to it yet but are occupying it in a sense as it is under construction. They want to notify the RDC they are taking out the construction loan and have complied with everything in the agreement. He stated they want to know if the RDC wants to continue to monitor the agreement.

Mr. Schafstall stated he did not realize the Elks had made so much progress and the Board has an option now to release the mortgage as first listed and put together a subordination agreement. Mr. Swinehamer stated they are requesting \$350,000 on their construction loan. The sale of their building will net \$200,000 and they have a capital campaign that has already raised over \$30,000. They also have a member that with match \$200,000 if they raise \$250,000. Mr. Schafstall stated they can allow Mr. Heuchan to sign a document to move the RDC from first position to second position on the mortgage or under the agreement, they can release the mortgage and the project is done as all funds have been dispersed to them. Mr. Henderson stated he would like to have the subordination agreement put together. Mr. Deppe questioned the meaning of substantial completion, if a punch list has been accomplished, or is it ready to move into? Mr. Goad stated that they should look over the punch list at the next meeting but in the meantime to have Mr. Heuchan sign the subordination agreement.

BJ Deppe made a motion to allow Bob Heuchan to sign a subordination agreement. Richard Wertz seconded the motion. The motion carried.

**Resolution 2015-02: Legal Fees and Expenses for 2015:**

BJ Deppe made a motion by title only. Richard Wertz seconded the motion. The motion carried. A public hearing was held.

BJ Deppe made a motion to approve the resolution as presented. Richard Wertz seconded the motion. The motion carried.

**Resolution 2015-03: Building Utilities and Maintenance Expenses for 2015:**

BJ Deppe made a motion by title only. Richard Wertz seconded the motion. The motion carried. A public hearing was held.

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

**Other Business:**

**December 2014 Financial Report:**

Mr. Goad stated the cash balance showed \$5.678 million, open appropriations of \$3.346 million and an unencumbered balance of \$2.3 million. He stated that of the \$2.5 million from previously approved resolutions, \$700,000 was now unencumbered.

**Resolutions Encumbered into 2015**

Richard Wertz made a motion to approve the open encumbrances. Jay Goad seconded the motion. A public hearing was held. The motion carried.

**Cash Flow Analysis #13**

Mr. Goad stated the report contains items that have been approved and also those that have been discussed.

**Yearly Redevelopment Commission Reporting Requirements:**

Mr. Goad stated Ms. Linke and the Clerk Treasurer's office will be working on the reports.

**Cash Flow Analysis #12:**

Mr. Goad stated that Mr. Henderson was still looking to have Umbaugh and Associates help with the analysis.

**Public Comment:**

None.

There being no further business, the meeting was adjourned. Respectfully submitted this 17<sup>th</sup> day of February, 2015.

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Bob Heuchan, President

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BJ Deppe, Secretary