



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

December 20, 2016

Members Present:

Bob Heuchan	President
Richard Wertz	Vice President
BJ Deppe	Secretary
Paul Buening	Member
Keith Fox	Member
Danny Vaught	School Board Representative

Others Present:

Krista Linke	Director of Community Development
Julie Spate	Recording Secretary
Rob Schafstall	Legal Counsel

Call to Order:

Bob Heuchan called the meeting to order.

Approval of Minutes

Paul Buening made a motion to approve the minutes. A second was received from BJ Deppe and the motion passed.

Old Business

55 W. Madison Street Discussion

Keith Fox reported that both offers were initially declined. Discussion has continued with John and Lesa Talley who are still very interested. The economic development agreement is being worked out. Some of the details that have been discussed are as follows. The Talleys will purchase the building from the city for \$160,000. At closing they will put \$400,000 in escrow and Mr. Fox's recommendation to RDC will be for a \$400,000 grant from the RDC. Krista Linke opened it up for discussion from the RDC members and then permission needs to be given for publishing the resolution and for Rob Schafstall to get the agreement with the Talleys finalized to come back to the January RDC meeting for public comment and approval. Mr. Heuchan introduced the Talleys and verified with Mr. Fox that the \$400,000 would go through the FDC for administration and that there will be no tax abatement requests or other requests of the FDC.

Mr. Schafstall needs direction from the board to continue discussion with the Talleys, and he will bring the paperwork to the January meeting. Mr. Fox made the motion. Richard Wertz seconded. Mr. Talley expressed their excitement about the building and project. The motion passed.

New Business

Shell Building Update

Mr. Wertz reported having a proposed drawing from Chris King. Mr. King with Runnebohm Construction presented their efforts to date, highlighting agreement on a proposed layout allowing them to proceed with pricing and engineering. Project budget and economic development agreement should be able to be presented at the January meeting. Mr. Heuchan reviewed the background regarding the road situation. Mr. King assured they have continued to work on engineering and plan to break ground in the spring. Ms. Linke asked if Mr. King needed anything else from the RDC with regards to the platting, and Mr. King assured there was not and that their engineers are proceeding with platting.

Resolution 2016-33: 89 E Jefferson Street – Frechette Eye Center

David Bedwell from FDC thanked the RDC for considering this project. The FDC is requesting \$200,000 total. \$50,000 will come from existing FDC funds, and \$150,000 is being requested from the RDC. Mr. Bedwell gave the background to the property and Linda Frechette's involvement with it along with her practice. The possibility of a two-story building instead of a one and a half story building is open to discussion, but cost is a concern and unknown as to how much because complete research has not been completed for a second story. Mr. Wertz expressed his support for a two-story, even if just a façade, from an aesthetic standpoint to fit better with the look of the downtown. Mr. Bedwell expressed that they don't know if it is feasible or not based on construction costs involved. Mr. Heuchan expressed support for further research to determine cost and structural risk factors for a second story. Ms. Linke reported that this was also considered in design committee, but the cost was a key factor in the discussions. Mr. Fox is also open to further research but fears the costs will be prohibitive and hopes if that is determined, the commission will come back to the plan presented and approve it. Mr. Wertz expressed his favor for the project but concern for the maintenance and a desire for the increased aesthetic value of a two-story facade. Mr. Bedwell summarized discussions he'd had with Ms. Frechette regarding use of the second floor possibility as housing for her out of state interns. Ms. Linke can get design professional and build out estimates. Mr. Bedwell asked if the board could approve the plan presented today so if the costs for a second story are prohibitive they can continue to move forward. Mr. Heuchan responded that it would need to be tabled today. Mr. Wertz moved to table the project. A second came from Mr. Deppe. The motion passed.

Other Business

November Financial Report

Ms. Linke reported that if all the resolutions were expended, the end of the year cash balance is just under \$7.2 million. Mr. Heuchan confirmed that at year end the city has in their redevelopment funds \$7.2 million unencumbered.

November 2016 TIF Bond Financial Report

Ms. Linke identified this report to show all projects approved through the TIF bond and expenditures made. Through the end of November \$9.6 million has been spent.

2016-2017 Encumbrances

Several projects will not be complete by year end, so those will be brought forward into 2017. \$3.6 million encumbered from the bond will be brought in to 2017. Encumbered from the regular TIF fund will be \$1.2 million. \$989,000 worth of projects will not be carried over into 2017, giving that additional amount to be added to the unencumbered balance. Travis Underhill and Trent Newport are working together with Ms. Linke on the encumbering of projects. Mr. Heuchan reminded that the bond issue

states all proceeds must be committed within three years. It is the end of year two now. \$14.7 million is committed with just a small amount remaining to be committed in 2017.

Cash Flow Analysis Worksheet

Ms. Linke did not have anything new to report.

Mr. Wertz asked for 2017 if a list of new TIF along 31 corridor could be projected over the next three years. Ms. Linke said that Jeff Peters would be the one to do that, and she would ask him.

Mr. Heuchan disclosed that within the Talley agreement, regarding the escrow, there is reference to Mutual Savings Bank where Mr. Heuchan works.

Mr. Heuchan requested an update on the Bemis project on Wayne Street including a site visit.

Mr. Heuchan asked for a response for a meeting time move from 8 a.m. to 9 a.m. The decision was made not to change anything at this time and will just be announced month to month.

Public Comment and Announcements

Rob Shilts of the Artcraft Theater updated on their marquis project.

Danny Vaught expressed appreciation for the opportunities the Artcraft affords and the good will it creates, including the RDC's support and involvement for the city of Franklin.

Trent Newport reported Jefferson Street is open since the last meeting. Signals are up. The railings need to be completed yet at Jefferson and Jackson Streets. The final coat of asphalt will be next year. Next spring starts phase two to the west. Phase three and four gets to the tracks by the end of 2017. Ms. Linke thanked Mr. Newport for their outstanding work on the project. She received much positive feedback from business owners regarding the communication from CrossRoad Engineers, as well as positive feedback on the construction workers (Dave O'Mara).

There being no further business, the meeting was adjourned.

Respectfully submitted this 17th day of January, 2016.

Bob Heuchan, President

BJ Deppe, Secretary