



# CITY OF FRANKLIN

## COMMUNITY DEVELOPMENT DEPARTMENT

### MINUTES

#### REDEVELOPMENT COMMISSION

November 21, 2017

#### **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
Rob Schafstall	Legal Counsel

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

Bob Heuchan called the meeting to order.

#### **Approval of Minutes**

Richard Wertz made a motion to approve the October 17<sup>th</sup> minutes. Keith Fox seconded. Passed.

#### **Old Business**

#### **New Business**

Mr. Fox moved to read all resolutions by title only. Mr. Wertz seconded. Passed.

#### **Resolution 2017-40: \$5,877.31 for the Closing Cost Associated with the Old City Hall Project**

Rob Schafstall reported already closing on old city hall. Pursuant to that closing, there were closing costs attributable to the RDC of \$5,877.31. The resolution retroactively approves this. Mr. Heuchan held a public hearing. Mr. Fox moved to approve the resolution. Paul Buening seconded. Passed.

#### **Resolution 2017-41: \$25,000 for Miscellaneous Expenses of the Linville Way Project**

Mr. Schafstall reminded of the exchange taking place between the City of Franklin and Mr. and Mrs. Linville. The Linville Way roadway and some common area is being transferred from the Linvilles to the city, and a drainage area to the west on Commerce Parkway is being transferred from the city to the Linvilles. RDC is the intermediary. The closing costs are unknown, but up to \$25,000 should cover them. A public hearing was held. Mr. Fox moved to approve the resolution with a second from Mr. Buening. Mr. Wertz asked if construction had already begun, and Mr. Schafstall confirmed. The motion passed.

**Resolution 2017-42: Authorizing an Offer to Acquire Real Property, Subject to Conditions, Transfer Same, and Pay for Design, Construction, and Inspection for the Linville Way / Drainage Area Project**

Mr. Schafstall explained that the RDC role in this is most like the offer to purchase as set forth in Indiana code, requiring RDC to make a formal offer to purchase. It also authorizes the president to proceed toward the closing on both exchanges. A public hearing was held. Mr. Wertz made a motion and Mr. Fox seconded. Passed.

**Indemnifying Mortgage with JART Properties**

Mr. Schafstall explained this to be the follow up to the hotel project on Paris Drive. The note and mortgage have been signed and recorded. The escrow monies are in use. Rob Richardson gave an update. Equipment is in place. The construction road is in. Moving dirt for the hotel will begin next week. Lots will be pad ready for sale in two different blocks. Block A will be at a mid-point north of the McDonald's property line, the current truck parking area, the detention area. Block B will be the frontage area. Those are now on the market and have a purchase agreement for Block B. They are meeting with a restaurant looking to build on Block A. Mr. Schafstall conveyed BJ Deppe's pre-meeting comment regarding the promissory note being given to the Redevelopment Commission and the mortgage is given to the City of Franklin Indiana Department of Redevelopment. Mr. Schafstall will edit to be identical and work with Mr. Richardson to edit and re-record.

**Resolution 2017-43: Authorizing an Offer to Purchase Real Property, Subject to Conditions**

Mayor Steve Barnett reported that since the July flood several home owners in the southwest quadrant area have expressed an interest in leaving that area and develop their properties somewhere else. The city has had two appraisals and a phase one done. Duke Energy has scheduled some clean up they will do next summer. There will be a couple monitoring wells. \$232,500 is the average of the two appraisals. Mr. Deppe asked if the restricted covenant will still be in place after the clean up. Mayor Barnett assured it will. Mr. Deppe is concerned about buying property with known environmental problems. The mayor feels that will be true wherever you go. In this case it can't be built on anyway, and it will be green space. Mr. Deppe said monitoring wells don't cure any problems but just let you know you have problems coming. The mayor maintained you don't ever really cure anything and responded that the monitoring wells are to tell you that there's nothing there. Mr. Deppe said that would be the hope. Mr. Heuchan asked if the phase one brought up any other concerns, and Mayor Barnett said no. And it is the same clean up Duke did by the park. It is only on a small sliver of his property, just over the line. The property is a little over six acres total. Mr. Schafstall reviewed the steps of the process. A public hearing was held. Mr. Heuchan disclosed that the bank he works for has a relationship with Bastin Logan Water Service and Joe and Amy Paszek. Mr. Deppe asked if the appraisals took into account the environmental mutations. Ms. Linke reported they did. Mr. Schafstall reviewed that RDC is authorizing a purchase offer of \$232,500 and also place holding \$150,000 for a relocation incentive. Mr. Wertz made a motion to approve the resolution and Mr. Fox seconded. Mr. Wertz asked if RDC would be responsible for leveling the property to make it a green space. Mayor Barnett said that was the intent. Ms. Linke further explained that the existing structures can not be improved more than 50% of its existing value due to the location in the floodway. The mayor confirmed the desire of the city to make it green space, flood retention area and perhaps an amphitheater. He has further discussed with the owner having up to a year to move outlined in the contract. The owner has to build within the city limits and the property he is moving to is within. Motion passed with one nay from Mr. Deppe.

**Other Business**

**October 2017 Financial Report**

Ms. Linke highlighted different reported financial areas and accounts. The year-end balance, if all projects were to be completed which they won't be, would be \$3.689 million dollars.

**2015 TIF Bond Financial Report**

Ms. Linke identified the remaining unencumbered balance. Funds must be spent by the end of June 2018.

The cash analysis report and list of encumbrances will be provided at the December meeting.

**Public Comment and Announcements**

Mr. Heuchan would like to give FDC a significant presentation time at the December meeting. Ms. Linke needs to know if anyone will be absent at the December 19 meeting so she can insure there will be a quorum. Mr. Wertz asked for the FDC grant information to be sent out prior to the meeting to allow for review.

Ms. Linke reminded Shop Small is Saturday.

Carisa Delph announced Holiday Lighting.

There being no further business, the meeting was adjourned.

Respectfully submitted this 19th day of December, 2017.

---

Bob Heuchan, President

---

BJ Deppe, Secretary