



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

January 10, 2023

Members Present:

Josh DeArmitt	Vice President
Shawn Taylor	Secretary
Eric Leugers	Member
Lee Hodgen	Member

Others Present:

Dana Monson	Community Development Specialist
Rob Schafstall	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 8:00 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

September 13, 2022 Meeting Minutes – Lee Hodgen made a motion for approval of the minutes. Shawn Taylor seconded. Passed unanimously, 4-0.

Old Business

New Business

Election of Officers

President – Mr. Hodgen nominated Mr. DeArmitt. Mr. Taylor seconded. Passed unanimously, 4-0.

Vice President – Eric Leugers nominated Mr. Taylor. Mr. Hodgen seconded. Passed unanimously, 4-0.

Secretary – Mr. Taylor nominated Mr. Leugers. Mr. Hodgen seconded. Passed unanimously, 4-0.

DC 2023-01: DHL Tax Abatement Request – Dana Monson introduced this 10-year request for a real property abatement. It is essentially the former Neyer project from last year. They are looking to purchase the full 250 acres bordered by Paul Hand Road to the north, Graham Road to the east and the railroad tracks to the west. Coming up from the south, it reaches the end of Essex Drive. They plan to build a building extremely close to the Neyer building footprint. It is a spec building. They will invest approximately \$68 million. They have a variety of well-known, well-established clients. The ERA that was done last year is still in place. A new abatement is required as this is a completely new project.

Matthew Yang, director of development for DHL Supply Chain, presented. They currently operate the Energizer facility in Franklin. They recently purchased the Whiteland building and are putting a

telecommunications company in there. They are leasing a second Whiteland building for an auto parts business. DHL is a third-party logistics provider. He gave an overview of the size of their company and reasons for choosing Franklin. Their initial plan is to build a million square feet facility with the ability to build up to 3.8 million square feet on the property.

Ms. Monson added that Paul Hand Road is going to be improved because of the project. DHL is committing two million dollars towards it. They will also complete Essex Drive up to Paul Hand. Mayor Steve Barnett reported that the roundabouts at Paul Hand and Graham Roads and Graham and Earlywood will be done at the same time. Mayor Barnett expressed his support of this DHL project. Paul Hand is the northernmost borderline for projects. Mr. Hodgen asked if they have any prospects looking at the facility. Mr. Yang confirmed they have some, but with completion of the building not projected until the end of 2024 or early 2025, they anticipate they will have more interest closer to completion. Mr. DeArmitt asked for their experience with prior spec buildings in this geographic area. Mr. Yang explained they haven't done much in this area. Their purchase of the Whiteland building was essentially a spec building. Three years ago DHL purchased a building in Whitestown. Giving other municipalities outside of this area as examples, Mr. Yang communicated their successful track record with filling spec buildings in a timely fashion. Mr. DeArmitt asked how Neyer changed to DHL. Ms. Monson explained that as a smaller company, Neyer could no longer make their capital work after the difficulties of 2022 and other projects they had going at the same time. Mr. Barnett said in the Comprehensive Plan this area has always been designated an industrial area, the opportunity zone and a railroad running next to the property. Mr. DeArmitt reviewed DHL being amenable to the two percent economic development fee and their request for a 10-year standard abatement.

Mr. Taylor made a motion to approve findings of fact 5a-e from the staff report. Mr. Hodgen seconded. Passed unanimously, 4-0. Mr. Taylor made a motion to approve a 10-year tax abatement on real property with a two percent economic development fee. Mr. Hodgen seconded. Passed unanimously, 4-0.

Other Business

Ms. Monson announced John Ditmars' resignation from EDC due to his election to the County Council. She thanked him as a great EDC member and that he will be missed. Mr. Barnett has already spoken with a possible replacement to fill the EDC county seat appointment. Mr. DeArmitt thanked Jake Sappenfield for his service. He resigned due to his election to the school board. Rob Schafstall expressed his privilege to serve as EDC legal counsel since 1996. He announced his resignation and will stay on until his replacement is found. EDC can choose whatever process they choose to find his replacement. There are no legal requirements. Mr. DeArmitt thanked Mr. Schafstall for his service. Mr. Barnett also thanked Mr. Schafstall for his service and the key role he played in the creation of the FDC and what could be done with TIF funds for Franklin.

Adjournment

There being no further business, a motion for adjournment was made and passed unanimously, 4-0.

Respectfully submitted this 14th day of February, 2023.

Joshua DeArmitt, President

Eric Leugers, Secretary