

ECONOMIC DEVELOPMENT PLAN – 2015

City of Franklin, Indiana

Common Council Redevelopment Commission Plan Commission

Section 1 - Introduction & Background

This Economic Development Plan – 2015 is adopted by the City of Franklin, Indiana (“Franklin”), through its Redevelopment Commission (“RDC”), Planning Commission, and Common Council, and restates and amends the City’s prior economic development (“ED”) plans, i.e., the 2008 Integrated ED Plan (which integrated the City’s ED areas with the exception of the Best Buy, Inc. f/k/a Musicland, Inc. ED area), and the 2012 Amended Integrated ED Plan (which incorporated the Best Buy, Inc. f/k/a Musicland, Inc. ED area) are restated, update and prioritize the ED projects being considered.

This ED Plan – 2015 takes into account Franklin’s recent history with ED and redevelopment, the current economic environment, and is supported by studies and research into the City’s economic needs and opportunities. Projects that could serve as a catalyst for area-wide ED have been identified and are given priority. See the Preliminary Project List, below, for those projects which should be considered for immediate commencement.

Section 2 - Purpose

This ED Plan – 2015 is adopted in response to a continuing awareness of the importance of economic development to the community at-large and the need for economic development planning to be woven into the fabric of the community. The historic philosophical and intellectual separation between economic development strategies and projects from the strategies and projects related to City planning, land use, and infrastructure issues has generated several problems that have become more obvious with time and success in attracting new economic development.

For example, Franklin’s success in attracting new ED underscores the ‘gap’ between ED strategies and thoroughfare planning. The northeast quadrant of the City has captured many new ED projects, and many new jobs to support the local economy, but the presence of this economic activity generates increased traffic from heavy trucks, and

the new jobs generate increased vehicular traffic by employees. These secondary impacts of successful ED strategies have an obvious impact on the community and this ED Plan - 2015 seeks to re-connect the City's ED strategies with the realities of comprehensive development, not just *economic* development.

Development of new land for ED purposes is a benefit to the community and a proper goal. However, by focusing too heavily on the recruitment of new development, the older portions of the City are often neglected. Unless and until that new development is carefully woven into the overall fabric of the community, the secondary impacts of new development are likely to negatively affect older areas. As a result, commercial interests in historic downtown areas are placed at a disadvantage, and a ripple effect leads to blighting influences that adversely affect historic residential areas, and lead to economic distress in the community.

This ED Plan - 2015 seeks to continue a process of public discussion that is intended to make the community aware that notable ED successes, for example, landing a new tenant in a business park, do not necessarily translate into a vibrant historic downtown. In this ED Plan - 2015, Franklin furthers a discussion about the relationships between ED and the overall economic health of the community at-large, including the Historic Downtown, residential neighborhoods, and important community stakeholders, as well as the overall infrastructure networks of the entire city.

ED is not a discrete, insular activity. Important as it is, ED must be woven into the planning and development activities of the entire community. This ED Plan – 2015 is a comprehensive view and plan for the entire community.

Section 3 - Description of the Area

The ED Plan - 2015 covers an area (the “Area” a/k/a the Amended Integrated ED Area) that is generally described as being located: east and west of the I-65 interchange at Exit 90; the north, south, east and west sides of the city; and all four gateways to the Historic Downtown as well as the US 31 corridor. The Area has been configured specifically to enable Franklin to integrate its ED and community development goals into a single working strategy designed to address a full range of development issues throughout the community. This strategy places emphasis on the need to revitalize the Historic Downtown area, develop and redevelop the I-65 interchange area, while also attracting new jobs and new economic investments.

The following general sub-areas are included in the Area:

- The S.R. 44 / King Street corridor from I-65 to US 31;
- The Main Street corridor from US 31 on the north to US 31 on the south;
- The Historic Downtown area, as defined in the 2005 Downtown Revitalization Plan;

- The Eastview Drive / Commerce Drive corridor in the northeast quadrant of the City, from S.R. 44 to US 31;
- The existing ED Areas located at the intersection of I-65 and S.R. 44; and
- The existing ED Areas located on the north side of Franklin.

A detailed legal description is provided with the Declaratory Resolution and included here as Appendix A. A GIS-generated map of the proposed Area is included in this document as Map #1. The ED Plan - 2015 covers the entire existing and future Amended Integrated ED Area, including areas designated with dotted boundaries, which might not currently be within the corporate limits of the City, but which are anticipated to be annexed as new development is proposed/implemented.

The presentation of the future expansion of the Area is offered in the interests of full public disclosure, and to present the optimal opportunity for public discussion. The following are noted:

The Area Overlaps Previous Economic Development Sites and Areas.

The RDC designates the Area as overlapping a large number of the previous sites and areas where the City has successfully attracted ED, including those areas which have been previously designated as ED Areas.

The Area Includes Historic Downtown and the Franklin College Gateway

The previous collective boundaries of the various ED Areas designated for single-site purposes have been modified to include the Historic Downtown area of Franklin, as well as the north/south/east/west gateways to the Historic Downtown and to the Franklin College campus. The long-term plan for downtown Franklin includes architectural enhancements and integration of these ‘gateways’ in order to physically, visually, and aesthetically link the college campus with the City.

The Area includes not only the commercial sections of the Historic Downtown, but also includes the potential for development of undeveloped or underdeveloped property adjacent to the Historic Downtown, in accordance with the February 16, 2005 “Downtown Revitalization Plan”. This ED Plan – 2015 incorporates the Downtown Revitalization Plan as a Foundation Document intended to direct the projects and strategies for redevelopment and revitalization of Franklin’s Historic Downtown Area, as defined in the 2005 Plan.

Further, the RDC commissioned and adopted a Downtown Market Analysis in February, 2010 (view the analysis at http://www.franklin-in.gov/egov/docs/1268257407_336547.pdf), which included strategies, identified specific developments and improvement to pursue, and identified “Next Steps”. This ED Plan – 2015 incorporates the Downtown Market Analysis.

In addition, the RDC intends to include Franklin College in the execution of infrastructure revitalization efforts, especially along the S.R. 44 corridor, east of downtown. The purpose of this inclusion is to coordinate and refine efforts to enhance the entrance to the College and to underwrite the growth and success of the College over time.

The Area Emphasizes Development of Thoroughfare and Infrastructure Capacity

Franklin has been successful in attracting new economic development opportunities. As a result of this success – and similar to other communities which have enjoyed success at attracting new jobs and economic diversification – there have been secondary impacts accruing to the community-at-large. One of the foremost of these secondary impacts is the manifestation of traffic congestion at and along certain thoroughfares. One of the primary incentives for the development of this ED Plan – 2015 is the need to address these thoroughfare and infrastructure needs.

At this time, the focus of the ED Plan – 2015 is on three primary existing corridors: S.R. 44 (east and west gateways); US 31 (old alignment into the Historic Downtown); and the combined northeast-side corridor consisting of Eastview Drive and Commerce Drive, where most of the new industrial/economic development sites have been located. In addition to these existing corridors, the RDC also intends to use this ED Plan – 2015 as the basis for initiating discussions related to future development and redevelopment of thoroughfare corridors located on the east side of I-65 to serve potential new industry and commerce.

In addition, the RDC seeks to place equal emphasis on the need for revitalization of the Historic Downtown in order to keep the community viable and to keep the historic urban core from deteriorating into blight. As the Downtown Revitalization Plan suggests, Downtown Franklin should be viewed as a ‘Third Place’, after home and work. The health and welfare of the entire community reflects the viability of its parts, and the historic Downtown serves as the core.

Section 4 - Economic Development Strategy for the Area

Franklin is working collaboratively to establish this Area along the north, south and east sides of Franklin and centered on Exit 90 (S.R. 44 interchange) of the I-65 corridor. Exit 90 represents a key interchange on the I-65 corridor, located approximately halfway between Indianapolis and Columbus. S.R. 44 represents the primary east/west gateway to the City, while US 31 represents the secondary north/south gateway (secondary to I-65) to the City. For these reasons, the ED Plan – 2015 recommends the highest possible quality of commercial and industrial development at this interstate location, as well as addressing issues of infrastructure and the need for downtown revitalization of the historic Downtown area, which generally lies along S.R. 44 and Main Street.

The ED Strategy for the Area consists of the following strategic elements:

- To recognize that Exit 90 on the I-65 corridor (S.R. 44 interchange) represents a major gateway to the City, thereby creating a critical area for economic recruitment and diversification success, and to enable the City and the RDC to provide the necessary economic incentives to achieve standards of development which are necessary to support this critical area.
- To stimulate and capture new, high-quality economic development to the area, especially along the I-65 corridor at Exit 90, and including commercial office/retail development which will provide growth in the employment base of the community and help assure and support continued population growth for the City.
- To continue the City's competitive position with regard to continued attraction of new industrial development opportunities.
- To capture tax increment revenue streams for the purpose of developing high-quality aesthetics and development standards, as well as maintaining high-quality infrastructure service, which will further amplify the public image of the City for people traveling along the I-65 and US 31 corridors.
 - The RDC notes that architectural enhancements to the 4-gateways to the Historic Downtown are proposed for high-priority consideration;
 - Also, the RDC states its intent to assist the City in implementing projects and suggestions to improve the Historic Downtown as recommended in the 2005 Downtown Revitalization Plan.
- To utilize tax increment revenues generated by previous and future development success for the purpose of improving and extending a well-planned system of public infrastructure to support long-term, optimal development in the Amended Integrated ED Area, as well as the surrounding area.
- To enable the City and the RDC to compete for and capture the highest possible quality of new ED opportunities for central and southern Indiana, including new, high-tech businesses, as well as life sciences and other research and professional office development.
- To assist in the development of the Amended Integrated ED Area and provide benefits to the residents of the Amended Integrated ED Area by assisting in the development of employment and other business opportunities, as well as convenient commercial services and retail shopping in the Amended Integrated ED Area and in the Historic Downtown area.
- To design and deploy infrastructure systems which connect and integrate commercial and industrial development centers throughout the community and provide infrastructure capacity to serve future demand.
- To incorporate and integrate all previous ED Plans and ED Areas into this single, Amended Integrated ED Plan, which is designed to address a broader and more comprehensive set of ED issues than were previously addressed.

In pursuit of this Economic Development Strategy, the RDC offers this ED Plan – 2015 including statutory findings of fact, development goals, and anticipated projects for the purpose of generating and supporting appropriate public discussion of these matters, and creating solid, long-term public policy with regard to the economic development future of the City.

Section 5 - Goals of the Economic Development Plan

The Area is being designated for the purpose of capturing tax increment revenues in order to provide the following benefits to the community at large:

- general infrastructure planning, design and deployment to meet existing and future demands of full development/build-out for the entire area along the I-65 corridor;
 - Possibly including new corridors to promote/enhance development;
 - To advance and implement existing, approved projects and plans related to the Historic Downtown;
 - To create new assessed value (AV), and to enhance existing AV throughout the community by addressing infrastructure needs throughout Franklin.
- appropriate planning, design and implementation of existing and future thoroughfare system improvements in order to accommodate projected traffic growth, as well as the potential to develop enhanced downtown parking and traffic management facilities;
 - Possibly including thoroughfare enhancements and intersection improvements along the Eastview / Commerce Drive Corridor to enhance traffic flow and improve access;
 - Including thoroughfare and infrastructure improvements within the Historic Downtown;
 - Including architectural and aesthetic enhancements to “Gateway” corridors to the Historic Downtown.
- appropriate planning and implementation of sewer, water and drainage infrastructure of sufficient size, configuration, and capacity to serve the overall area at full build-out;
- appropriate planning and implementation of 21st-century telecommunications infrastructure;
- appropriate planning and implementation of superior development standards for site aesthetics, including landscaping, constructed features, water features, as well as preservation of green space and environmentally sensitive areas;
- to potentially create enhanced public amenities for the Amended Integrated ED Area;
- to prepare and establish high-quality development standards, commensurate with site locations with extremely high visibility along the interstate corridor which will serve to create a positive image for the City;
- to diversify the property tax base of the City;

- to enhance sufficient public service and infrastructure support to provide long-term, broad-based community growth along the I-65 and US 31 corridors, including enhancement of public safety services and facilities.

Section 6 - Economic Development Projects

The RDC anticipates the need for a broad range of infrastructure projects necessary to support existing, proposed, and future development and redevelopment in the Area, and those properties that serve it. This ED Plan – 2015 is being developed substantially in advance of specific economic development project proposals/approvals, and as such, there is only general knowledge of the general types of ED projects that might be considered and/or supported with tax increment revenues. However, the RDC hereby makes specific note of the need to address issues related to ED on a more comprehensive level than has been previously attempted.

The following basic elements related to ED projects are addressed in this plan:

- Infrastructure improvements necessary to address secondary traffic and other infrastructure problems caused, in part, by previous success in capturing economic development opportunities, including;
 - Intersection improvements to improve traffic flow and reduce congestion, especially along major commercial/industrial corridors;
 - Corridor improvements to widen corridors where necessary to accommodate increased traffic resulting from economic development success;
 - Sewer and water capacity improvements to assure adequate sanitation and water pressure to support future economic development in Franklin;
 - Improvements to thoroughfare infrastructure in the Historic Downtown as recommended in the 2005 Downtown Revitalization Plan;
 - Improvements required to sustain and expand public safety services to a growing community;
 - The implementation of architecturally significant gateways to enhance the aesthetics of the Historic Downtown, as well as to integrate the Historic Downtown with the positive attributes of Franklin College;
 - Sidewalk, trail and pedestrian crossing infrastructure improvements as outlined in the December 2014 Safe Routes 2 School Plan, including marketing and public safety education.
 - The 2015 Interstate 65 Interchange Economic Development Plan currently being considered for adoption by the Redevelopment Commission, Plan Commission and City Council.
 - The recommended quality of life improvements as outlined in the June 2010 Franklin Parks and Recreation Master Plan.
 - The stormwater capital improvements project list in the Stormwater Master Plan, adopted February 27, 2015.
 - The 2013 Comprehensive Plan

- Development of long-term planning and implementation for an expanded thoroughfare system to support suburban areas which are undeveloped or underdeveloped;
- Revitalization of the Historic Downtown area, as well as redevelopment of currently undeveloped or under-developed land in the Downtown Area as described in the 2005 Plan.

The Preliminary Project List, see below, identifies the types of projects the RDC anticipates supporting as development proposals are considered and approved. These projects and their estimated costs should be considered as preliminary until such time as specific development proposals have been approved by all appropriate authorities of the City, including the recommendation/approval of the development, per se, by the Plan Commission, final approval of the development by the City, and approval of any proposed investment of tax increment revenues by the RDC and the City, cooperatively.

The Preliminary Project List – Exhibit “A”

The preliminary project list for the ED Plan – 2015 includes the following projects: see attached Exhibit A – Preliminary Project List, as well as the general project descriptions listed below. Although the specific timing of development for these projects is unknowable and depends upon complex factors, tax increment financing or other means of advancing development may be considered for those projects that may serve as a catalyst for the development of surrounding properties and/or that offer substantial benefits to the community.

2013 Comprehensive Plan Critical Sub-Areas (est. cost \$2,000,000)

In 2013, the City approved a new “Comprehensive Plan” which identified three parts of the city as critical sub areas. (1) The historic, core neighborhoods including the length of Jefferson Street and areas in the industrial part of town; (2) The I65 interchange and surrounding land; and (3) The downtown. Each section of the Comprehensive Plan explains why the area deserves special attention, issues and opportunities within the critical sub area and possible next steps.

Projects Recommended in the Interstate 65 Interchange Economic Development Plan (est. cost \$12,000,000)

The focus of the ongoing Interstate 65 Interchange Economic Development Plan effort is to create a cohesive economic development strategy for the development and redevelopment of the I65 Interchange. During the community’s Comprehensive Plan Update in 2013, it was identified that the interchange was currently defined by some as a collection of undesirable and contradicting land uses and design standards that do not set the desired first impression of the community. For this reason, the Interstate 65 Interchange Economic Development Plan development plan was initiated. The primary objective of this plan was to establish a path by which Franklin can achieve its vision for its primary eastern gateway and contemplates the construction of new and improvement of existing roads, the construction of storm water, sanitary sewer, water and other

infrastructure improvements, the completion of sidewalk and streetscape improvements, the construction of trails and other amenities, and the acquisition and redevelopment of real estate. The following goals form the base from which the project recommendation list was derived:

1. The interchange should be a priority in the overall economic development strategy of the community.
2. The interchange needs to serve as an inviting gateway to the community.
3. The interchange needs to compliment other commercial areas in the community, not compete with them (especially the downtown).
4. The interchange must function as a safe and organized part of the thoroughfare system.
5. Uses at the interchange should create a regional destination/attraction for visitors.
6. Development at the interchange should serve the citizens of Franklin as much as travelers on Interstate 65.
7. The interchange should serve as an engine for job creation in the community.

Jefferson and King Street Project (est. cost \$3,070,000)

In 2009, the City approved the “Gateways, Greenways and Redevelopment Study.” It was a visioning study prepared for the Franklin Redevelopment Commission in an effort to further enhance the City of Franklin’s appeal to residents, business and industry. The City has already initiated the first phases of improvements to the historic downtown. East and West Court Street have been completely rebuilt since the 2012 Economic Development Plan. Downtown city and county parking lots have been rebuilt and a new lot was added at the northeast corner of Jackson and Wayne Street. The Monroe Street connector to Franklin College is complete, along with improvements to Water Street. North Main Street from Jefferson Street north to US 31 has been completely rebuilt and is currently in the final stages of completion.

Since the recent relinquishment of State Road 44 to the City, several phases of infrastructure improvements are necessary. Relinquishment funds from INDOT will be used to fund a majority of the cost for infrastructure improvements to Jefferson and King Streets (\$12,800,000). The complete reconstruction of Jefferson and King Street has been broken down into three phases.

- Phase 1A is Jefferson Street from US 31 west to City View Apartments (\$1,890,000).
- Phase 1B and 1C is Jefferson Street from US 31 east to Crowell Street (\$530,000).
- Phase 2 is Jefferson Street from Crowell Street, east to Forsythe Street, Forsythe Street north to King Street, and King Street east to Eastview Drive (\$650,000).
- Phase 3 is King Street from Eastview Drive east to the I65 Interchange (\$10M - included above in the Interstate 65 Interchange Economic Development Plan).

Projects Recommended in the “Safe Routes to School Plan” (est. cost \$2,750,000)

Promote community connectivity and health by supporting the expansion of the local trail and sidewalk network. In 2014, the City approved a “Safe Routes to School Plan” whose primary goal was to develop a plan to help the community utilize its existing infrastructure network, via multi-use trails and sidewalks, as a means of encouraging student walking and bicycling to school. The Safe Routes to School Plan was recommended by the City’s Comprehensive Plan, approved in 2013, to support efforts to develop a regional transit plan and take proactive steps toward the implementation of more transit-friendly design within the city.

Projects Recommended in the “Stormwater Master Plan” (est. cost \$5,000,000)

The 2013 Comprehensive Plan Infrastructure and Utilities section identified stormwater management as a priority. The subsequent Stormwater Master Plan approved in 2015 studied this topic in depth. The purpose of the Stormwater Master Plan was to identify stormwater drainage problem areas throughout the city. The projects include: detention facilities, new storm sewers, storm sewer lining, stream bank stabilization, channel improvements, and an outfall rehabilitation project.

Parks Master Plan Projects (est. cost \$1,000,000)

The current Parks Master Plan forecasts through 2015, and will be updated in the near future. There are a number projects being considered outside of regular maintenance to existing facilities. Focus should be given to promote community connectivity and health by supporting the expansion of the local trail and sidewalk network. Focus on closing gaps in the trail and sidewalk network and making accessibility and universal access improvements.

Projects Recommended in the “Downtown Revitalization Plan” (est. cost \$4M-\$6M)

In 2005, the City approved a “Downtown Revitalization Plan” which recommended a series of projects to assist in restoring economic vitality to the Historic Downtown area. The Vision Statement for the 2005 Downtown Plan states that the Project Goal is “*the creation of an activity center for the promotion and retention of local character. (p. 1).*” Much of this plan has been implemented, but there is still work to be done through the redevelopment of property.

Downtown Property Redevelopment (est. cost \$500,000-\$1,000,000)

Redevelopment of downtown property is proposed for consideration. Redevelopment of downtown property should be considered when it could potentially stimulate other redevelopment projects and investment in the overall area, as well as adding diversification to the local tax base and local economy. Direct resources toward reusing and infilling existing buildings and land downtown.

Improvements to Transportation Infrastructure

One of the primary findings of this ED Plan – 2015 and prior studies is the need to develop a comprehensive and long-term understanding of the existing and projected traffic demands which have occurred in Franklin (as a result of previous economic development success), and which are likely to result from future development in and near the Area. These discussions acknowledge the fundamental reality that the existing thoroughfares serving the area have not been substantially upgraded, despite the new economic development which has occurred. As new development continues, therefore, traffic congestion will only become worse, unless new strategies are implemented to handle these problems. Therefore, this ED Plan – 2015 proposes to begin an implementation sequence for the priority portions of the Franklin Thoroughfare Plan, and to develop enhanced (and new) transportation corridors to serve the Amended Integrated ED Area, all consistent with the 2013 Comprehensive Plan Action Items calling for improvements to the east-west travel corridor options.

The RDC and City anticipate that some major intersections will likely need to be improved. This ED Plan – 2015 therefore seeks to accommodate the long term traffic demands by proposing major transportation improvements, and to make specific public note of the RDC's intent to use TIF revenues in partial support of these planned thoroughfare improvements. The ED Plan – 2015 does not identify specific thoroughfare projects, nor does it identify specific project timing and cost. This additional specificity can be addressed over time, with additional planning and public discussion, and as specific new development projects are identified and quantified.

The goal in this endeavor is to attempt to identify, quantify and anticipate the transportation needs of the community and the Area at full build-out, as much as 20 years into the future. Obviously, such projections are subject to variation in outcome. However, the need for a future southeast-side development corridor, as well as improvements to the Eastview / Commerce Drive corridors are noted as deserving initial consideration.

Sewer, Water and Drainage Infrastructure (est. cost \$2,000,000)

The City and RDC are also concerned that there be adequate planning and projection to meet the long-term needs for sewer, water and drainage infrastructure in and near the Area. This local development policy could easily be determined to require the installation of sewer infrastructure in a size/capacity that could exceed the needs of current development (in order to meet the needs of future development), and as such, may require supplemental funding from the City and RDC to support the construction of sufficient infrastructure capacity to meet the needs of the area at full build-out. The future sewer, water and drainage infrastructure needs of the Area, as well as adjacent areas, must be carefully planned and negotiated between the City, RDC and other infrastructure service providers affected in the general vicinity of the Amended Integrated ED Area. For example, the City's Sanitary Sewer Master Plan calls for improvements and expansions that include collection system upgrades as well as new main installations,

and improvements and expansions to the treatment facility. These sanitary sewer upgrades could range from \$1M to \$10M.

As with the project identification and cost estimates for thoroughfare construction, this ED Plan – 2015 contains only preliminary, planning-level projects and costs. All projects and costs identified (sewer, water, drainage and other) are to be considered as preliminary only, and will be subject to change, based on the development proposals received and approved by the City and Plan Commission.

Anticipated Retail, Hotel, and Office Commercial Development

The creation of the Area along the east side of the City and along I-65 is intended to generate interest in retail, hotel, and office development proposals which would benefit from extremely high-visibility locations. These new forms of development are intended to complement existing efforts to attract development to and redevelopment of the area. In response to these various proposals, the City and the RDC should undertake significant public discussions related to the developmental future of the area, as well as the implications of that development on infrastructure system demands. These discussions will likely reveal consensus that the proposed Area is very likely to experience very significant development pressure in the coming years, and as such, the City and RDC need to be fully prepared to provide high-quality municipal services at a capacity at least equal to the current and future demand.

Discussion Points for the City and RDC

The projects identified above are presented by the RDC for preliminary thought and consideration. In all cases, regardless of the preliminary estimated cost, it will be necessary for the RDC and the City to develop sufficient architectural/engineering detail to refine the cost estimate, as well as to develop sufficient technical documentation to develop public consensus.

In addition, the RDC and the City may desire to finance all or a portion of the projects contemplated by the Plan through the issuance of bonds secured by tax increment financing (TIF) revenues or other sources. The City's Financial Advisors will be required to develop a TIF revenue analysis which will advise the RDC as to available revenues to support any of the projects identified, if any TIF debt is proposed for issuance.

The size of the Area has been determined as a result of careful review and consideration by the City's professional staff. The RDC has attempted to define an Area that contains both existing and future commercial (retail, office and other) development. The infrastructure needs of these developments, in addition to projected future residential development (which does not generate TIF revenues, but does affect infrastructure service demands), were all considered in the establishment of this Amended Integrated ED Area.

The RDC has sought to offer full public disclosure of the issues related to economic development in the Area by noting that the current size of the proposed Area must be limited to areas within the corporate limits of the City, for obvious jurisdictional reasons. At the same time, the map accompanying this ED Plan – 2015 shows the RDC’s awareness that the expansion and/or amendment of the Area may be necessary as new development is proposed, approved, and incorporated into the City boundaries. By stating the RDC’s intent to expand the Area as development and annexation occur, the RDC seeks to make its development policies as transparent as possible.

Due to the size of the existing and potential future Areas, and due to the substantial need for significant investment in long-term infrastructure capacity to meet the needs of the Area and its environs at full development, the RDC expects that individual development projects/proposals may request/require TIF assistance. In order to accommodate the individual TIF requests from individual developers, the RDC anticipates the possibility that multiple Tax Allocation Areas (TAA’s) will be designated within the Area, over time.

The future development of the Area will require significant investment in a broad range of infrastructure types and capacities.

The existing infrastructure is inadequate to meet the future demands of the area at full development.

Section 7 - Statutory Findings of Fact

Indiana provides for the designation of an ED Area in accordance with the following criteria (IC 36-7-14 *et seq.*):

1. The plan for the Area: promotes significant opportunities for gainful employment of its citizens; attracts major new business enterprise to the unit (of government); retains or expands a significant business enterprise existing in the unit, or; meets other purposes of redevelopment and economic development.
2. The plan for the Area cannot be achieved by regulatory processes or by the ordinary operation of private enterprise because of: lack of public improvements, existence of improvements or conditions that lower the value of land below that of nearby land; multiple ownership of land; or other, similar conditions.
3. The public health and welfare will be benefited by the plan for the economic development of the area.
4. The accomplishment of the plan for the Area will be a public utility and benefit as measured by: the attraction or retention of permanent jobs; an increase in the property tax base, or; improve the diversity in the economic base or other similar benefits.
5. The plan for the Area conforms to other development and redevelopment plans of the unit.

Finding of Fact #1a: “the plan... promotes significant opportunities for gainful employment of its citizens”

The Area is designed to support economic development on three separate, but interrelated, levels: currently proposed development; future development; and existing development. By designating this Amended Integrated Economic Development Area, the City seeks to promote significant opportunities for gainful employment of its citizens by carefully planning and providing infrastructure and public service support for existing and future economic development projects which will provide permanent jobs to residents.

In addition, the City is designating this Area for the purpose of supporting new development proposals, potentially including proposals which might straddle the corporate boundaries and occupy both incorporated and unincorporated parcels in/near the Area, especially near Exit 90. Franklin is designating this Area for the purpose of capturing opportunities for gainful employment resulting from successful capture of new commercial and industrial development, as well as from expansion of existing businesses in the Area.

The City is designating this Area for the purpose of promoting additional opportunities for future commercial and industrial development in and near the Area. In order to achieve this goal, the City intends to utilize the Area designation for the purpose of enhancing infrastructure systems in order to meet existing and future levels of demand for municipal services such as sewer, water, thoroughfares, telecommunications, and other (including police and fire protection). In providing enhanced infrastructure, which is designed to meet the demands of any fully developed Area, the City is promoting significant opportunities for gainful employment of its citizens in the future.

In addition, the City and RDC are proposing this Area as a means of promoting redevelopment investment and activity in older, historic areas of the City, including the Historic Downtown. In recent years throughout Indiana, historic commercial areas have been displaced by new retail and commercial development in suburban areas. Clearly, it is not advantageous for the City as a whole to achieve new economic development in the suburbs at the expense of vacant buildings in the urban core. Such strategies, if left unaddressed, are often a precursor to urban blight. Therefore, this ED Plan – 2015 intends to promote significant opportunities for gainful employment through redevelopment activity in areas such as the Historic Downtown, where business is often displaced to newer suburban development.

Finding of Fact #1b: “... attracts major new business enterprise”

The Franklin Redevelopment Commission (RDC) is designating this Area for the purpose of supporting the capture of major new business enterprises in several forms, as well as capturing new business enterprise that will locate in the Area.

This ED Plan – 2015 specifically seeks to encourage redevelopment of the Historic Downtown with the hope of attracting major new investment and employment to occupy rehabilitated historic buildings. The RDC and the City intend to redevelop Historic Downtown infrastructure, including the implementation of architectural ‘gateways’ marking downtown entrances in order to enhance the aesthetic environment. Such additions as new, modestly upscale restaurants would be considered a benefit to the economic viability of the Historic Downtown.

In addition, the City and RDC seek to initiate planning for expansion of the areas east of I-65 at Exit 90. Franklin has been successful in marketing this area previously, and seeks to attract new business investment in this high-visibility location. This new investment would include both commercial/professional offices, as well as new industrial facilities, which would help to diversify the local economy, as well as the property tax base.

As stated above, the RDC is seeking to attract major new commercial and industrial enterprise to the Area, as well as encouraging the expansion of existing business which had previously selected Franklin as their location. The RDC’s ED Strategies are designed to attract major new business enterprise to the City, in accordance with statute.

Finding of Fact #1c: “...retains or expands a significant business enterprise existing in the unit”

The RDC is designating this Area for the purpose of retaining and expanding the industrial development which has been successfully recruited to Franklin since the 1980’s. Occupancy of the Area near Exit 90 is largely resulting from these successes. Therefore, one purpose of the economic area designation is to retain and expand existing industries by enabling and encouraging these plants to attract new product lines and new internal corporate investment in order for the existing plants to remain economically viable and to continue to provide high-quality employment for the entire region. The issue of retention/expansion is often misunderstood. Manufacturing facilities continue to be economically viable only if they continue to invest in competitive efficiencies and continue to produce products with market viability. As such, the attraction of new intra-corporate investment in the capture of new product lines is critical to Franklin’s long term Economic Development Strategies because it continues to provide viable jobs, as well as continuing to avoid blighting influences resulting from down-sizing and/or abandonment. By encouraging retention and expansion investment, Franklin seeks to avoid declining economic dynamics resulting from corporate disinvestment, which would prevent the local economy from expanding, and as such this ED Plan – 2015 meets this statutory requirement.

Finding of Fact #1d: “...meets other purposes of economic development”

The RDC is designating this Area for other economic development purposes, as well. Generally, the RDC is seeking to assure that TIF revenues are made available to

develop enhanced infrastructure systems that will support the entire area at full build-out, including residential as well as commercial and industrial development. For example, as time passes and new development occurs, increased traffic will strain the local thoroughfare system at certain locations, while the demand for sewer and water capacity will increase from both business development and residential development. The designation of this Area is designed to meet these “other purposes of economic development” as provided in the statute, in order to enable the City to meet the infrastructure demands of the area well into the future. It is critical that the City and RDC develop and use this ED Plan – 2015 as a basis for creating and implementing local public policy which supports the long-term interests of the community.

In addition, the RDC and the City seek this Area designation in response to the economic impacts on the City which are related to the re-structuring of Indiana’s property tax system, as well as the re-structuring of Indiana’s economic development statutes. Both sets of statutes were amended during the 2008 Legislature, but the final outcomes are not yet fully determined on a City-specific level. As such, the RDC and the City are seeking this Area designation in order to provide potential additional tools for dealing with the repercussions of these legislative efforts, when the final results are known and fully absorbed as a matter of economic development policy.

Finding of Fact #2a: “...the plan for the Area cannot be achieved by regulatory processes....”

The RDC hereby states that the goals and strategies of the ED Plan – 2015 cannot be achieved by the regulatory processes available to the RDC. Although the City (Plan Commission) controls zoning and development standards designation, these regulatory processes do not provide for the development of enhanced infrastructure capacity necessary to meet the long-term demands of new development in the area. By designating the Area, the RDC can capture TIF revenues for the purpose of enhancing infrastructure service in order to meet existing and projected future demands. This strategic goal is specifically beyond the capacity of regulatory processes to achieve, and therefore, the RDC finds that designation of the Area is appropriate under the statute.

Furthermore, issues related to redevelopment in the Historic Downtown area are unlikely to be remediated through enforcement of regulatory processes, because regulatory processes can rarely generate significant redevelopment investment. The Historic Downtown contains numerous, high-quality commercial buildings of substantial architectural character. This ED Plan – 2015 seeks to use TIF to create an investment environment where downtown redevelopment can be implemented, far in excess of mere enforcement of City codes and levying fines.

Finding of Fact #2b “the plan... cannot be achieved because of lack of public improvements...”

The RDC is seeking to stimulate optimal development in the undeveloped portions of the City, as well as to encourage expansion of existing industrial and

commercial enterprises. At this time, public infrastructure is not adequately provided in the proposed Area at a level necessary to stimulate and sustain preferable forms of development, especially with demand increasing over time. Public improvements must be designed to handle the demands of existing and future development at optimal levels of intensity. Many of these same arguments are also presented above in greater detail. Therefore, the RDC finds that the plan for developing the area cannot be attained due to a lack of public improvements necessary to assure infrastructure service to existing, proposed and future development in the area, unless this Area is designated.

Finding of Fact #2c: "...the plan...cannot be achieved...because of... improvements or conditions that lower the value of land...."

The land within the proposed Area is partially undeveloped. The RDC is particularly sensitive to the economic future of the Area and intends to focus a significant effort toward retaining and expanding existing industries and businesses in the Area. In the alternative – which is more likely if these industries do not re-invest in new product lines and expansion – the decline of these existing industries will, in fact, lead to a decline in the value of land within the Area. The economic failure of any major employer in or near the Area would predictably constitute a blighting influence on the area surrounding Exit 90 on I-65, including the proposed Area.

In spite of the fact that the proposed Area is located in an area of substantial economic growth, existing infrastructure demand is creating developmental problems which the City must address through infrastructure expansion. The value of land which is served by inadequate infrastructure (to handle future demands) will also predictably decline.

This argument is amplified in the case of the Historic Downtown. The relocation of major commercial activity away from the Historic Downtown has created an environment where attraction of new investment is difficult, and where retail activity is pulled to new retail development along major traffic corridors, and downtown buildings are left empty and/or struggling. These conditions clearly lower the value of land.

Further, if the new property tax policies reduce municipal budgets for repair and maintenance of infrastructure, these historic areas of the City will suffer from inadequate infrastructure and these conditions are projected to lower the value of land in these areas.

Therefore, the RDC is seeking to designate this Area, in part to overcome the impact of the lack of sufficient infrastructure expansion to meet existing growth as well as future demands. By beginning an aggressive program of infrastructure improvements, the RDC and City seek to enhance land values within the Area, including the Historic Downtown. As such, the plan for economic development of the area cannot be achieved because of conditions related to the current state of the infrastructure systems has depressed the value of land in the area and harmed the full development potential of the Franklin economy.

Finding of Fact #2d: "...the plan cannot be achieved... because of... multiple ownership of land...."

The proposed Area is currently owned by a wide range of private individuals. In recent years, developer interest has increased in part because the City has engaged in an aggressive and highly successful economic development program. In order for successful industrial and commercial development to occur, large tracts of land will probably be required to be assembled under the control of individuals who have the expertise to propose and develop multi-use development projects for the area. This is expected to be especially true in the portions of the Area near Exit 90. It is unlikely that optimal development patterns can be achieved with multiple ownership of land in the area, because multiple-ownership generally produces fragmented development proposals.

In addition, the issue of multiple ownership of land is likely to be an issue in the Historic Downtown. The City's 2005 Downtown Revitalization Plan notes that a number of actions will be necessary to generate new investment in the Historic Downtown, including the need to address various issues of public infrastructure, including parking and traffic flows. Multiple ownership of land is traditionally a problem for urban redevelopment policies and projects, especially when retail activity is being drawn from historic areas toward new retail development, and onto thoroughfare corridors which can be widened to support additional traffic more easily than can downtown thoroughfares.

Consequently, the RDC seeks to designate an Area for the purpose of encouraging appropriate and optimal development patterns for Amended Integrated, multi-use economic development, which is likely to occur as a result of a single business/developer designing and controlling a substantial tract of land within the Area. This strategic issue is also important for Franklin to continue to be competitive in attracting major new industrial development opportunities on a state-wide level.

Finding of Fact #2e: "... the plan cannot be achieved... because of... other, similar conditions..."

The RDC also notes that the Area is located with high visibility from the I-65 corridor, halfway between Columbus and Indianapolis. This advantageous location gives potential new industry access to employment markets in Indianapolis, as well as areas of southern Indiana. The developmental attributes of the proposed Area are such that a combination of development types is highly appropriate to the area.

High-level interstate access also makes the Area ideal for commercial/office development, as well as for major industrial development. Interfaces between these two development types can be expected to be extremely sensitive among the public, therefore, the RDC must make every effort to control the development patterns in order to achieve optimal and beneficial land use results, as well as optimal revenue streams to support municipal services.

The interface between residential and commercial development must also be handled with sensitivity in order to benefit all property values in the Amended Integrated ED Area. These considerations, in the opinion of the RDC, constitute ‘other similar conditions’ as presented in statute.

As a matter of long term ED Strategy, Franklin would benefit the most from the attraction of more professional offices, and higher-paying professional and research jobs, in addition to its current emphasis on manufacturing. This is not to be taken as a criticism of an already successful ED program, but simply as a view to the future of the community at large. If major, new, high-tech employment can be attracted to Franklin in the long-term, the diversification of the local economy would be extremely beneficial to the community-at-large. As such, this ED Plan – 2015 attempts to initiate the public discussion of longer term goals, such as the attraction of more investment in office and research development to the Area.

As stated above, the RDC is sensitive to the future development patterns within this proposed Area because of the current occupancy mix, as well as assuring optimal occupancy of any proposed commercial or industrial development which might be received/approved. The RDC hereby states that these considerations are determined to meet statutory criteria of “other, similar conditions.”

Finding of Fact #3: “... the public health and welfare will be benefited.... “

The RDC hereby finds that the public health and welfare will be benefited from the designation of this Area in several ways. First, the public welfare will be benefited as a result of the improved diversification of the property tax base of the City. This improvement in tax base will help to stabilize property tax rates for the City over time. Second, the public welfare will be benefited by virtue of the new jobs resulting from the business development which is anticipated in the Area. Third, the public welfare will be benefited as a result of redevelopment of the Historic Downtown area, and the elimination of the blighting influences resulting from vacant and/or under-utilized buildings in the urban core.

The public health will also benefit in several ways. First, the creation of new jobs in the immediate geographic area of Franklin directly compliments the population growth of the area. By increasing the number of jobs located in Franklin, the public health will be benefited by a reduction in the length of commuting trips by Franklin residents. It is logical to expect that a significant number of the new jobs created in the Area will be captured by Franklin residents, as well as residents on the I-65 corridor, thereby reducing the commuting time between home and employment for Franklin residents. This reduction in passenger car travel will have a direct impact of reducing air pollution, thereby creating a benefit to public health. In addition, the reduction in commuting travel time will increase the amount of leisure and family time available to these employees, thereby improving mental and physical health.

The public health will also benefit by thoroughfare and infrastructure improvements in and near the Area. Currently, some thoroughfares have not been significantly improved, despite major increases in traffic levels. Improvements to the thoroughfares and other infrastructure serving the Area are expected to increase traffic safety.

The public health will also benefit from improvements to water, sewer and drainage infrastructure. Sewer improvements will lead to improved sanitation on several levels, including removal of septic tanks, and reductions in CSO and other pollution discharges. Improvements to the water system will enhance water supplies for fire protection, which has obvious implications for public health.

Finding of Fact #4a: "...the accomplishment of the plan... will be a public utility... as measured by: the attraction or retention of jobs...."

The RDC seeks to stimulate economic growth through the designation of the Area, in order to retain the existing jobs from the existing industrial and commercial enterprises, as well as expanding the number of jobs located at the existing industrial and commercial enterprises within and near the Area. This economic expansion is to be achieved by facilitating the addition of new product lines and capturing new investment in more efficient process equipment which would keep products from these industries competitive in the world markets, as discussed previously.

In addition, the redevelopment of the Historic Downtown would be projected to enable the City to attract and capture new investment resulting in the creation of new jobs in the downtown area. This would include economic growth resulting from the expansion of Franklin College, which represents a major education asset of the community. Finally, the long term provisions for expansion and extension of the City's infrastructure systems are projected to enable the City and RDC to attract new jobs and diversify the economy by enabling the infrastructure capacity to meet the demands of economic growth, including the southeastern bypass.

By creating the Area, the RDC seeks to generate substantially more economic development in the area, as well as attracting other professional jobs via new development in the area, which also creates an increase in employment. In addition, by increasing the likelihood of success of commercial development, existing jobs will be retained and new jobs created. Obviously, the RDC's intent regarding retention of existing jobs, as well as the creation of new jobs, will be a public utility and benefit in accordance with statutory requirements.

Finding of Fact #4b: "...accomplishment of the plan... will be a public utility... as measured by... an increase in the property tax base..."

The RDC is seeking to designate this Area for the express purpose of increasing the property tax base of the City. The property tax base is expected to increase in several specific ways. First, the RDC is seeking to stimulate full development and occupancy of

all existing industries located in the Area, as well as encouraging future expansion of existing industries. Revenues from these expanding industries will be very beneficial for local government, and full occupancy should increase property tax revenues, as a result of the expanded property tax base offered by the expanding tenants.

Second, the RDC projects an increase in the property tax base as a result of new development, which is projected for the future. It can be reasonably expected that additional development commitments will require the extension of economic development incentives as well as extension and enhancement of local infrastructure. The central purpose of designating this Area is to offer those incentives and to expand/enhance local infrastructure.

It is also the position of the RDC that Exit 90 represents a prime location for commercial and industrial development, as well as other forms of new, high-visibility development. The RDC fully expects that additional development along I-65 will further increase and improve the property tax base, and the RDC fully intends to solicit, negotiate, and capture additional development proposals for the newly designated Area in order to further increase the property tax base.

The provisions for redevelopment of the Historic Downtown are also expected to add to the property tax base of Franklin, both directly and indirectly. Direct improvements to the property tax base are projected to occur as a direct result of investment in the redevelopment of downtown buildings. Indirect improvements to the property tax base are projected to occur as a result of the elimination of blighting influences resulting from vacant downtown buildings. Both improvements will add new property tax revenues when they occur. As a comparison, this ED Plan - 2015 notes that the Carmel downtown has been successfully redeveloped as a result of TIF-based investment. Franklin's downtown is, in fact, larger and more architecturally significant than that of Old Carmel, and it is hoped that similar successes can be achieved for Franklin.

Finally, the long term plan for improvements to thoroughfares on the east side of Franklin are expected to stabilize land use patterns and make provisions for handling long term demand for public infrastructure. Improvements to business corridors are anticipated to facilitate truck traffic, enhancing access to existing and future industrial areas, as well as enhancing patterns of commuting traffic. Proposed improvements to east-side corridors are expected to be of public utility by enhancing development patterns adjacent to the interstate corridor, as well as adding property value and property tax revenues to the community.

Finding of Fact #4c: "accomplishment of the plan... will be a public utility... as measured by... other similar benefits."

It is the position of the RDC that the accomplishment of this economic development plan will generate a number of positive benefits to the City.

First, it is the intent of the RDC to stimulate new economic growth in the area resulting in new jobs.

Second, additional economic development in the area is expected to provide secondary fiscal benefits in the form of enhanced property tax revenue streams and local option income tax revenue streams to all levels of local government.

Third, new development in the proposed Area will serve the growing economic needs of increasing populations in/near Franklin. New commercial and industrial development in the proposed Area should serve to distribute traffic and expenditure patterns for the growing Franklin population more effectively and equitably if infrastructure systems are expanded to meet future demands.

Finally, it is the intent of the RDC to provide “other similar benefits” in the form of enhanced aesthetics and development standards which reflect the high visibility of this location for the entire southern portion of the State of Indiana. The I-65 corridor serves the entirety of Indiana, and traffic along this corridor generally develops its image of the City by observing land uses and development standards along the corridor. It is in the best interest of the City and the RDC to create a positive public image for the City by providing the highest possible quality of development standards, especially at interchange access points, such as the Exit 90 area, as well as future interchanges.

The architectural enhancement of the S.R. 44 and US 31 entrances to the Historic Downtown is expected to enhance the public image of the Downtown, with special emphasis on the potential future synergies which could be developed between the City/RDC and Franklin College. The presence of the College is a tremendous asset to the community at large and if the economic health of the adjacent Historic Downtown can be restored, the synergies between the College and the Downtown can be amplified.

Finding of Fact #5: “the plan for the Amended Integrated Economic Development Area conforms to other development and redevelopment plans of the unit.”

It is the position of the RDC that the designation of an Area should not overrule previous zoning and land-use decisions of the Plan Commission, nor should the Area designation usurp the authority of the Plan Commission and the City Administration (including the Common Council). Therefore, the RDC will make every effort to avoid making any decision or proposing/advocating any development without careful coordination with the Plan Commission. The purpose of this policy position by the RDC is to assure the community at large that the economic development plan will uniformly conform to the provisions of the comprehensive plan for this area.

Therefore, this economic development plan conforms in all ways with the “other development and redevelopment plans” of the City.

APPROVED on this ____ day of _____, 2015, by the Redevelopment Commission of the City of Franklin, Johnson County, Indiana.

Robert Heuchan, President

Jay Goad, Vice President

Brian J. Deppe, Secretary

Robert Henderson, Member

Richard Wertz, Member

Attest:

Janet P. Alexander,
Clerk Treasurer