



# CITY OF FRANKLIN

## COMMUNITY DEVELOPMENT DEPARTMENT

### MINUTES

#### REDEVELOPMENT COMMISSION

February 16, 2016

(Due to a recording equipment malfunction, this meeting's minutes are not comprehensive.)

#### **Members Present:**

Bob Heuchan	President
Richard Wertz	Vice President
BJ Deppe	Secretary
Keith Fox	Member
Danny Vaughn	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 at 8:00 a.m.

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

BJ Deppe made a motion to approve the February 1, 2016 minutes. Richard Wertz seconded the motion. The motion carried.

#### **Old Business:**

None.

#### **New Business:**

#### **84 Lumber Economic Development Agreement**

Rob Schafstall presented the details of the agreement.

Keith Fox made a motion to approve the economic development agreement for 84 Lumber. Mr. Wertz seconded. Ted Cole from 84 Lumber thanked Franklin for welcoming them to the community. The motion was approved.

#### **Resolution 2016-09B: Geotechnical and Environmental Expenses related to the King Street Reconstruction**

Travis Underhill reminded the RDC members of the discussion from the last meeting, and the total amount needed is \$17,185. Mr. Deppe moved to read by title only. Mr. Fox seconded. A public hearing was held. Mr. Schafstall explained that a public hearing was not required when monies coming out of the bond funds. A motion was made to approve the resolution by Mr. Deppe and seconded by Mr. Fox. The motion passed.

### **Satisfaction of Mortgage – Elk's Lodge #1818**

Mr. Schafstall reported the Elks have certified completion of the building to RDC. A letter was submitted on behalf of the Elk's to the RDC members. Mr. Fox moved to accept. Mr. Wertz seconded. The motion passed.

### **40 N. Water Street Introduction and Discussion – Jim Edwards, David Benham, Terry Lancer and Mark Beebe**

Jim Edwards reported purchasing the former Elks building about a year ago. Terry Lancer with Lancer + Beebe, LLC and his business partner Mark Beebe, presented their design and building plan details, proposed budget and project schedule. They requested an RDC grant of \$158,000 for the elevator and fire suppression system. They plan to open by year end 2016. Mr. Deppe asked about their plans for parking and also who they foresee as their prospective guests. Mr. Edwards explained parking to be an issue still to be worked out and spoke to who their guests might be. Mr. Deppe asked if they have spoken to any of these prospective groups yet such as Franklin College, Japanese companies, etc. Mr. Fox asked what occupancy is needed to be self-supporting. Mr. Edwards responded that 50% occupancy enables them to break even. Mr. Fox followed up with what their personal/bank investment is and Mr. Edwards responded with that currently being \$225,000 for the cost of the building. The overall proposed project cost was reviewed, with the total project cost being \$905,000. Mr. Heuchan explained this is an introduction. Mr. Wertz asked about the façade grant they received from the FDC for \$50,000 and if it is reflected in the presented budget. It would reduce the total project cost by \$50,000. Mr. Deppe asked if there are other outside investors and Mr. Edwards said no, just David and him. Mr. Lancer went over the proposed project schedule. They hope to have state design release in May, start demolition and order materials in June, complete construction by the end of December 2016. Franklin resident Joe Class asked about a joint stairwell and elevator with the three story building to the south of this project. Mr. Heuchan summarized the process again. Mr. Heuchan asked if the members desired to expedite the process and Mr. Wertz expressed his opinion to keep with the timeline which would bring it for a vote in April.

### **Other Business**

#### **US 31 TIF: Updated Timeline**

Krista Linke updated that Plan Commission meeting is this evening, and this matter is on their agenda. The next step is for City Council to vote on March 7<sup>th</sup>. There are some publication requirements after that, and the matter will be back before the RDC at their April 19<sup>th</sup> meeting for the confirming resolution. Mr. Wertz added that Kroger is ahead of schedule.

#### **January 2016 Financial Reports**

Ms. Linke reported that the January report showed the beginning cash balance for the year in each of the accounts. The amounts listed for the May and November property tax amounts are estimates. Resolutions that were approved at the December meeting had been added to the report. Resolutions that expired at the end of 2015 and not encumbered into 2016 have been removed. Projects that are being funded through the bond proceeds are tracked on a separate report.

#### **Cash Flow Analysis Worksheet**

Ms. Linke reported that the year 2014 has been hidden and the year 2019 has been added to the worksheet. Mr. Wertz asked if the building from the special meeting was reflected on the report. It is not listed on this report because it will be paid out of the bond proceeds.

**Public Comment and Announcements**

Mr. Wertz asked that the shell building be put on the March meeting agenda.

There being no further business, the meeting was adjourned at 8:41 am.

Respectfully submitted this 15<sup>th</sup> day of March, 2016.

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Bob Heuchan, President

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BJ Deppe, Secretary