



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

August 21, 2018

Members Present:

Bob Heuchan	President
Richard Wertz	Vice President
Paul Buening	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 July 31st minutes. Paul Buening seconded. Passed.

Old Business

None.

New Business

Resolution 2018-39: 89 E. Jefferson Street Façade Project – This is the former Frechette Eye Clinic building at the southwest corner of Water and East Jefferson Streets. Mike Duke of Duke Homes presented. Matt Harrison who oversees all of Duke's commercial projects was also in attendance. They did not have specific drawings as they had not been totally hired. Their team came out and have worked with Danny Causey's original design to complete as detailed an estimate as possible. Mr. Duke also addressed the question regarding their fees and how the \$25,000 is minimal for a job like this and that they also need to make their fees from the job as well. Mr. Heuchan reviewed the history of the project leading up to this point. Mr. Duke added some design features they are planning for. The responsible party for the brick behind the structure is still being determined. Duke suggested that should be looked in to and potentially surveyed and that they have not budgeted for anything between buildings.

Linda Frechette explained her history with the building and her current plans to keep the building. They have considered bringing a nice sunglass shop back to the building or her son's desire to bring his chiropractic practice from Indianapolis back to Franklin. Mr. Heuchan asked if an EDA were put in place that if Dr. Frechette were to sell the building within a certain period of time that RDC might be able to recover or have some type of fall back, would she object to that at all, and she assured that would be fine with her. They might also rent the building out. Mr. Heuchan reviewed the original financial discussions and the role of the FDC. The current RDC resolution is for \$257,500. Richard Wertz asked if

the changes to the front of the building would affect the budget, how likely the proposed budget is to come in under the estimate, and what is Dr. Frechette going to invest. Dr. Frechette responded with what she has already invested in the purchase of another building, \$100,000 into the basement finish and will be responsible for approximately \$100,000 to redo the main level. Mr. Wertz asked if they would rent the basement also, and Dr. Frechette confirmed it would be part of the building, so yes. The brick wall on the west side is an unknown but if it belongs to the Frechette building, that will be their investment as well. Danny Vaught asked if they would rent to a professional office as opposed to a restaurant. Dr. Frechette responded that they are totally open at this time. Mr. Duke suggested their budget is as accurate as possible. Mr. Wertz clarified the overhead and profit margins and unexpected expenses. He also asked about the landscaping expenditure to be in line with the rest of the downtown beautification and Mr. Harrison expressed that is their plan. Mayor Steve Barnett expressed his support for the project and the current proposed financial investment. Krista Linke expressed appreciation for Dr. Frechette's cooperation on this project. Mr. Duke explained the importance of the place on accurate budget numbers so there are no surprises or increases. Once released, they will draw up final plans and budget. They do feel the numbers today are in the ballpark. Mr. Wertz asked about a lien on the property for a prescribed number of years. David Bedwell of FDC and Horizon Bank would have to look into whether they would accept an additional lien on this property as they already have a lien on both this property along with the Main Street property and they are cross-collateralized so they each move together. Mr. Heuchan suggested a separate EDA between the RDC and Dr. Frechette if needed. Mr. Bedwell and Dr. Frechette both were accepting of that. Mr. Wertz asked if only receiving \$200,000 would stop the project. Both Mr. Bedwell and Dr. Frechette said yes. Dr. Frechette reminded her Main Street investment and rental monies loss for Jefferson while waiting. Mr. Buening asked who would be responsible if the build does go over. Dr. Frechette explained that if it was a major increase, it would kill the project. If a minor amount, Dr. Frechette would be responsible. Mr. Bedwell reminded the history with all the different contractors and fees charged and lack of response. He further expressed his deep appreciation for Mr. Duke's reputation and working within the parameters laid out.

Mr. Wertz made a motion to read by title only and Mr. Buening seconded. Passed. Mr. Heuchan opened a public hearing. Ms. Linke explained about the FDC's architectural guidelines and the process for final plans for this project. Mr. Buening made a motion for approval. Mr. Heuchan seconded. Passed.

Yandes Street Design Fees – Mark Richards, City Engineer

City Engineer Mark Richards presented a project submitted through MPO for funding last fall for reconstruction of Yandes Street from Jefferson to Ohio Streets and a short section of Madison Street from Yandes to Depot Streets. The project will restore the brick pavement and include lighting, landscaping, drainage and new sidewalks. Their request was to authorize staff to prepare a resolution and legal ad for an appropriation for the design fees. The project is scheduled for letting in November 2021 allowing three years for design time. There is no anticipation of right-of-way acquisition. An environmental document will be prepared. Negotiations have been happening with GAI Consultants out of Indianapolis and Mr. Richards said they would like to award them the project if approved. The project is for \$309,000 inclusive of all design fees through letting and post letting construction assistance. It does not include inspections. The funds have been listed on the cash flow spreadsheet for approximately the last nine months. Mr. Heuchan asked if the stone curbing will be eliminated. Mr. Richards explained their desire to keep that as much as possible and when not using limestone. Repair of existing brick sidewalks is still under consideration. They also have to meet ADA standards. The request has been increased to \$320,000 to allow for some contingency funds. The construction is funded at 80% by the federal government along with inspection. The total inspection cost is estimated

at \$248,400 and the local match would be \$49,700. The entire \$248,400 would have to be paid out in order to receive the \$198,700 in federal aid. There is a reimbursement process for inspection. The total construction amount is \$1,987,300. At the time of letting 20% funding would be required and INDOT would handle all the construction applications. The city's cost would be \$397,460 and required no later than January 2022 if the letting happens in November 2021. Total cost to the city would be \$756,000. Ms. Linke stated that the design fees are not reimbursable. Motion to prepare legal documents was made by Mr. Buening and seconded by Mr. Wertz. Passed.

US 31 Pedestrian Enhancements and Congestion Mitigation Discussion – Mark Richards

Mr. Richards described this project being worked on with INDOT. It is for pedestrian and congestion mitigation enhancements along US 31 between South Main Street to Israel Lane at Knollwood. There will be pedestrian trails along each side and intersection improvements along the entire corridor. The state is in the process of developing an inter-local agreement to send to the city. Lynn Gray will review that, outlining the specific responsibilities of both the city and state. Orally the city has agreed to fund the design portion of the project with the state funding right-of-way acquisition, construction and inspection at 100%. The state has submitted an application for the build grant. If they are successful, it would be a 2021 construction. Design services need to get underway. They would like authorization for staff to prepare a resolution and legal ad for a \$100,000 preliminary design contract covering 100% of the environmental document cost and a significant portion of the surveying costs. The environmental document is estimated at \$34,000 and the balance would go toward surveying. It would be paid out of the US 31 TIF. Mr. Wertz asked if it would be possible to put some of the utilities underground. Mr. Richards said it could be included but the costs need to be investigated as INDOT would not participate in that and the cost would have to be born 100% by the city. Mr. Wertz also asked if it was possible to incorporate crosswalks over 31 to make it easier for students on the east side to get over to the schools. Mr. Richards assured again that it can be looked in to but that INDOT will again not participate in that expense. The design has considered at grade crossings with rest areas in the medians along 31 at several locations. Mr. Vaught asked what a ballpark cost would be for a pedestrian bridge over 31. Mr. Richards suggested \$3.5 million. He thinks the total project would be approximately \$40-50 million with a current investment of \$100,000 at this point and in the future the remainder of the design fees would have to be invested. Usually they run approximately 10% of construction costs. Public participation events will also be part of the cost. The TIF funds would not completely fund so it could result in a bond issue. The back up for a 2021 start would be construction in phases beginning in 2023. INDOT would also be replacing the culvert structures at Canary Ditch.

Motion for legal counsel to prepare legal documents for \$100,500 was made by Mr. Buening and seconded by Mr. Wertz. Ms. Linke confirmed it would come out of the north and south US 31 TIF districts. The motion passed.

Shell Building Disbursement Request #6

Ms. Linke explained this was received from Greg Martz Friday. She requested yesterday more detail on the work completed. Information was also received with regards to a potential purchaser. Chris King explained construction to be on hold to work with a specific prospect. It is to their benefit to not side the building which would allow for expansion. Additionally, holding off on site concrete, asphalt, landscaping, electrical and mechanical allows them to customize and doesn't impede their project. The company has submitted for a special exception use on the property. They have been provided with an as is price. The overall project savings would be \$513,729. The disbursement request Mr. Martz sent was for the remainder of the contract amount to get to that number. The completed work since their last request is limited site work, additional work on the building, roofing and concrete around the dock

area. A bill for retainage has also been received. Ms. Linke recommended paying it. It is the contractual amount with detail provided as requested. Motion for approval was made by Mr. Wertz and seconded by Mr. Buening. Passed.

Other Business

July 2018 Financial Reports

Previously included were the US 31 TIF districts. Separate accounts have been established and removed because the funds can't be spent in this area. Another page has been created that tracks them individually. Jeff Peters has been asked to update the amounts going forward. Ms. Linke updated the TIF bond. A couple of items have received INDOT reimbursements.

August 2018 Cash Flow Analysis Worksheet

This has been updated along with projects discussed today. The \$100,000 won't show for the US 31 TIF as that is not out of this fund but on the separate report established.

Public Comment and Announcements

Mayor Barnett reported interest in Franklin industrial sites.

Emily Snyder announced this Saturday's Hops and Vines from 5-10 p.m. and two more Farmers Market Saturdays from 8-12. She also reported working on an art fair and alley activation initiative

Respectfully submitted this 18th day of September, 2018.

Bob Heuchan, President

BJ Deppe, Secretary