



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

May 21, 2019

Members Present:

Bob Heuchan	President
Richard Wertz	Vice President
BJ Deppe	Secretary
Paul Buening	Member
Andrew Eggers	Member
Kristi Ott	School Board Representative

Others Present:

Krista Linke	Community Development Director
Rob Schafstall	Legal Counsel

Call to Order:

Bob Heuchan called the meeting to order.

Approval of Minutes

BJ Deppe made a motion to approve the April 16th meeting minutes. Paul Buening seconded. Passed.

Old Business

New Business

Resolution 2019-29 Benjamin's Alley – Davis Electric \$14,315 – Krista Linke identified this to be for the alley construction project. It was a change order during construction thought to be payable out of a 2018 resolution, but it was encumbered to Case Construction only, and this needs to be paid to Davis Electric, so a new resolution needs to be passed in order to pay them. The bill has been outstanding for a couple of months. Richard Wertz made a motion to read by title only and seconded by Mr. Buening. Passed. A public hearing was held. Ms. Linke highlighted a later agenda item for partial payment to Case Construction that was able to be paid out of the resolution, but it was more than the resolution.

A motion for approval was made by Mr. Wertz and seconded by Mr. Buening. Passed. Andrew Eggers pointed out signature lines need to be changed from Keith Fox to Mr. Eggers.

Benjamin's Alley – Final Invoice from Case Construction – Ms. Linke identified this invoice to be for \$16,969.34 with only \$12,312 remaining in the resolution. An additional \$4,656.58 remains, so a new resolution needs to be made for next month to allow the remaining payout. Mr. Eggers made a motion to authorize legal counsel to prepare necessary documents. Mr. Deppe seconded. Passed. Mr. Wertz asked if there won't still be additional costs to RDC for dumpster enclosures. Ms. Linke explained that it had not been decided yet as to whether that will be a Board of Works or RDC expense. No estimates

have been received yet, and due to RDC cash flow, it is not certain RDC will be asked to cover that expense.

Resolution 2019-30 Eastview Upper Shelbyville Road Roundabout Project \$75,404 – Mark Richards presented this last month. This resolution was encumbered to Crossroad Engineers and this cost share invoice was to INDOT and has been outstanding for a couple of months. A motion to read by title only was made by Mr. Deppe and seconded by Mr. Eggers. Passed. A public hearing was held. A motion for approval was made by Mr. Deppe and seconded by Mr. Wertz. Passed.

Resolution 2019-31 Jefferson Street Project Change Order \$55,554 – Mr. Richards brought this before RDC last month. It is a change order for four storage tanks along with remediation and clean up. It has been advertised and is ready for action. Relinquishment funds were used for the rest of the project but could not be used for the storage tanks. A motion to read by title only was made by Mr. Eggers and seconded by Mr. Buening. Passed. A public hearing was held. A motion to approve the resolution was made by Mr. Wertz and seconded by Mr. Buening. Mr. Deppe asked why it was not possible to fill in the tanks and remove contaminated soil around them as an expense savings. Mayor Steve Barnett reported that it was IDEM instruction in their oversight of the project, and they did remove the contaminated soil. The motion passed.

Shell Building Update – Ms. Linke reported color samples have been received and approved the same day. The colors chosen are those shown on the original plans. The contractors are working across the street at Airtomic and upon completion when the siding arrives, they will begin work again on the shell building.

Franklin Greenways Trail Amphitheater Park – Shrewsberry Scope of Services – Ms. Linke identified meetings that have taken place. There is a contract for project design. It has to go before Board of Works first and then RDC will pay the fee out of the bond issue. That won't be complete until the end of August. Ms. Linke advised waiting until it is closer to finalization before authorization to start. Mr. Deppe explained that he will have questions on the scope of services. He questions the need for bidding in multiple stages. He sees no reason why Phase One and Two couldn't be combined. He thinks it could be bid as one project instead of three to save both time and expense. Mayor Barnett reported that the reason for the phasing is due total project cost. There may need to be multiple sources of funding. The first phase for \$100,000 requires the entire plan be submitted to DNR before buildings can be torn down. Mr. Deppe still has concern over bidding it three times with three different contractors. Mr. Eggers moved to table to a future date. Mr. Deppe seconded. Passed.

US 31 TIF Amendment -- Rob Schafstall explained that it was originally scheduled for a public hearing today and approval of the lease financing agreements for the bond. There was a problem encountered with the lease. This will be seen again at the June 18th meeting. It was tabled at last night's City Council meeting. It will go before City Council again on June 3rd. Closing of the bonds is projected to be mid-August. Mr. Eggers asked if the push back to mid-August instead of mid-July would affect anything. Mr. Schafstall didn't know, but there is no choice. Mr. Wertz asked how this impacts the state design on the 31 project. Mayor Barnett does not think it will effect that as the state is moving slowly. He believes there to be a greater effect on the amphitheater. Crossroads is continuing to do their due diligence currently at their own expense.

Redevelopment Authority – Mr. Schafstall explained the RDA to last be used in 1994 for the Musicland Project. The Authority now needs to be resurrected for the \$10 million US 31 design contract and

amphitheater project to participate in the lease financing for the bond. The mayor has appointed three individuals to three-year terms, Josh Prine, Les Tabeling, and Bhavna Amin. They have not met yet but will before June 18.

Presentation for Overlapping Taxing Units – Ms. Linke explained a new requirement through Indiana Code passed in House Bill Indiana 1242. It requires RDC's to annually between April 15 and June 15 to do a presentation on the Commission's budget, long term plans for the allocation areas and the impact on each of the taxing units. It is to be done at a RDC meeting. The suggestion is that a member of the RDC appear before the governing body, City Council for Franklin. All the taxing units would be invited to attend the presentation. Ms. Linke, Mr. Schafstall and Jeff Peters are working on this to present to City Council before June 15. Mr. Deppe asked about the issue of the scheduling of the annual meeting identified in this bill passed last year. The annual report was due April 15, but the annual meeting schedule was not known.

Determination of No Excess TIF – Ms. Linke explained that the presentation for overlapping taxing units complements this. The presentation is done immediately before the determinations are made and letters to all taxing units are sent out so they know why there is the determination of no excess TIF. Ms. Linke also presented this request for Mr. Heuchan's signature on the letter stating no excess TIF and to be sent to all taxing entities including a notice of the June 3rd City Council meeting presentation or the next RDC meeting on June 18th. It is the same letter sent out annually. Mr. Eggers made a motion to approve and Mr. Buening seconded. Passed.

Refund of \$32,376.18 from the FDC for the McDonald's Parking Lot Project – Ms. Linke reminded that RDC gave FDC a grant for \$250,000 for the rebuild and redesign of the truck parking lot at McDonald's at the interchange. The bids came in significantly under the original estimate. FDC has already reimbursed the RDC \$125,000 last year. The project is now finished and \$32,376.18 remains. This will not be spent on the project and the agreement stipulates that remaining funds should be returned to the RDC from the FDC. Ms. Linke will write the check to the RDC from the FDC.

Liquidate \$60,000 from Resolution 2019-24: S. Main Street Right-of-Way -- Ms. Linke has worked with Mr. Richards and Trent Newport and reached the assurance that with remaining items yet to be done, \$60,000 can be liquidated from this resolution. A motion for approval was made by Mr. Wertz and seconded by Mr. Eggers. Mr. Deppe abstained. Passed.

Liquidate \$7,500 from Resolution 2018-26 Linville, Brookhaven, Benjamin's Alley Inspection – These projects are complete. Mr. Eggers made a motion for approval to liquidate \$7,500 from this resolution. Mr. Buening seconded. Passed.

Property Taxes Paid for 237 W. Monroe Street, 200 S. Jackson Street, 231 S. Jackson Street and 159 W. Monroe Street – These properties have all been purchased. 180 S. Jackson Street was just closed on and taxes were handled at closing. \$19,881.06 is the total amount that has been paid as taxes are paid in arrears. There will be no taxes going forward. They had to be paid May 10 to avoid the 10% penalty. A resolution needs to be prepared for next month to appropriate these funds. Mr. Deppe made a motion for approval and Mr. Eggers seconded. Passed.

Ms. Linke is to receive keys to Bastin-Logan and the auction barn today. Exterior clean up can begin. Mayor Steve Barnett reported Dan Paris's request to stay until October and the mayor's absolute denial of that request. Mr. Heuchan asked if the city incurs any liability by allowing him to stay there beyond

what was agreed upon. Mr. Deppe agrees with the concern for the city if Mr. Paris is allowed to remain without any kind of insurance rider or liability. Ms. Linke reported that the city does have insurance on all the properties. RDC felt Mr. Paris should be reminded of his agreement and an absolute vacate deadline. Mayor Barnett has communicated with Mr. Paris that he wants to begin clean up and fence teardown by August 1. Rob Schafstall counseled he shouldn't have any more time as he is rent-free on taxpayer monies at this time. He will speak with Mr. Paris and arrange a meeting to include Mayor Barnett before the June RDC meeting.

Rhoni Oliver presented the fire department's request to use one of the Bastin-Logan properties for training exercises without fire. RDC approved.

Other Business

April 2019 Financial Report – Ms. Linke highlighted that the county property tax disbursement won't be received until June. \$6,774,000 has been expended through April. \$5,126,000 is the current cash balance and \$7,800,000 in remaining appropriations and will not all be spent this year. Mr. Wertz asked what percentage is anticipated to be spent this year. Ms. Linke explained it to be reflected in the cash flow analysis.

May 2019 Cash Flow Analysis Worksheet – The three resolution refunds are listed along with the resolutions approved today.

Public Comment and Announcements

Redevelopment Association of Indiana Site Tour – June 13, 2019 – Ms. Linke reported this will be a walking tour downtown, meeting in Council Chambers at 10:00 a.m. RDC members are welcome to join. Twenty-five to 30 people are anticipated from across the state. There will be tours at The Garment Factory, B2S Labs, The Elevator, The Pavilion and Main and Madison. Lunch will be at RFD. There will be a bus tour highlighting a number of locations also.

RFD official ribbon cutting is May 28th at 2pm. They have an unannounced soft opening today at 4pm.

There was conversation on the Frechette project.

Respectfully submitted this 18th day of June, 2019.

Bob Heuchan, President

BJ Deppe, Secretary