



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## MINUTES

### ECONOMIC DEVELOPMENT COMMISSION

May 12, 2020

#### **Members Present:**

Jake Sappenfield	President
Josh DeArmitt	Vice President
Lee Hodgen	Member
Anne McGuinness	Secretary

#### **Others Present:**

Krista Linke	Director of Community Development
Dana Monson	Community Development Specialist
Rob Schafstall	Legal Counsel

#### **Call to Order:**

Jake Sappenfield called the meeting to order.

#### **Roll Call & Determination of a Quorum**

#### **Approval of Minutes**

Rob Schafstall requested that when a resolution vote is taken the stated result not be restricted to the word passed but either passed unanimously or if not unanimously then a statement of the vote result and with the count. Lee Hodgen made a motion to approve the April 14<sup>th</sup> minutes. Anne McGuinness seconded. Passed unanimously.

#### **Old Business**

None.

#### **New Business**

**EDC 2020-04: Sunbeam Development** – Dana Monson presented Sunbeam Development's request for a 10-year tax abatement on a \$17 million investment. It is for a 519,699 square foot spec building on the 33 acres on the northwest corner of State Road 44 and Jim Black Road.

Steve Barnett reported that Sunbeam has started moving dirt, but they did apply for their abatement prior to receipt of their land disturbance permit. They are also seeking to purchase the Tresslar property just east of this location. They are in the process for annexation. It is about 480 acres. Mayor Barnett spoke in favor of the abatement. Ms. Monson added that Sunbeam has also agreed to a two percent economic development fee.

Ken Kern with Sunbeam expressed their plans to bring in a single tenant as soon as possible. Ms. Monson gave a summary comparison between taxes collected if the property would be left undeveloped vs. developed even with the abatement. The difference is \$6,257,347.80.

Mr. Sappenfield asked how the abatement works if anything changes once the tenant is signed. Krista Linke explained that once a tenant is secured there would be an additional abatement on real property for the build out and a personal property abatement for any equipment. These abatements would be linked to jobs, salaries and investment amounts. This initial abatement is linked only to the investment amount. Sunbeam's construction value is \$17,000,000. Assessed value is unknown at this time. Mr. Sappenfield is not convinced this will result in higher than average wages but it will be reviewable at the time of the next abatement. Ms. Monson asked Mr. Kern what type of clients Sunbeam would be marketing to. He suggested the Amazons of the world. They desire to do a 20-year+ long term lease with a good credit tenant.

Mr. Sappenfield additionally asked what changes are anticipated at the intersection with this additional development. Mayor Barnett reported plans for a stoplight this fall or next spring. Additionally another stoplight in another four or five years from now. I65 will have a stoplight in the next year as well. Jim Black Road will receive some upgrades as the development moves forward. Mr. Sappenfield verbalized his support for a 10-year abatement.

Josh DeArmitt asked what kinds of changes Sunbeam has seen during the pandemic and has that altered any plans for Sunbeam. Mr. Kern cited more online buying could result in an increased need for warehouse space. It certainly is not anticipated to hurt the distribution industry. Mr. DeArmitt offered his appreciation for the economic development fee.

Mr. DeArmitt made a motion that paragraph five, section a through e have been satisfied to designate an ERA. Mr. Hodgen seconded. Passed unanimously.

Mr. DeArmitt made a motion that paragraph five, section a through e have been met for purposes of this abatement. Ms. McGuinness seconded. Passed unanimously.

Mr. DeArmitt made a motion for a 10-year abatement on the \$17 million investment with a two percent economic development fee. Ms. McGuinness seconded. Passed unanimously.

### **Other Business**

Amanda Rubadue from Aspire reported a pickup in activity and requests during the month of April. Additionally, they have been doing monthly surveys to keep up to date on the business pulse.

Rosie Chambers spoke of the chamber's assistance to local businesses making sure they are ready to open. They are hosting a virtual meeting on Thursday with Mayor Barnett. Mr. Sappenfield asked if businesses have had difficulty securing necessary PPE in preparation for opening. Ms. Chambers suggested several sources they have offered businesses to order necessary equipment and supplies.

### **Adjournment**

There being no further business, a motion for adjournment was made.

Respectfully submitted this 9th day of June, 2020.

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Jake Sappenfield, President

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Anne McGuinness, Secretary