



# CITY OF FRANKLIN

## COMMUNITY DEVELOPMENT DEPARTMENT

### MINUTES

#### ECONOMIC DEVELOPMENT COMMISSION

August 11, 2020

#### **Members Present:**

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

#### **Others Present:**

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**

Lee Hodgen made a motion to approve the July 14<sup>th</sup> minutes. Anne McGuinness seconded. Passed unanimously, 5-0.

#### **Old Business**

None.

#### **New Business**

**EDC 2020-05 Waiver of Non-Compliance Request 40 Linville Way** – Dana Monson reviewed that in August of 2017 the Redevelopment Commission requested a 10-year abatement on the shell building. At the time, Krista Linke spoke with the auditor's office, asking if, since the building is owned by a non-taxing entity, does the city still follow the usual CF1 process. The auditor's office responded no, the CF1 was not necessary. Ms. Linke asked again last year and was told no again. In July the new clerk handling the abatements contacted the city to inform that a CF1 was needed. A phone conversation was held with the county auditor and DLGF and DLGF confirmed that a CF1 was needed in order to have a viable abatement to pass on once the building is purchased. Because this was not communicated until after the due date, a waiver of non-compliance is now required.

Mr. Sappenfield asked what year the abatement is in. Ms. Monson responded that it is the first year. They did a partial assessment, so according to DLGF the partial assessment will be in year one. Later this year when they do the full assessment, the other 80% will be in year one and the 20% will be in year two. There are two 10-year schedules due to Johnson County's choice to do partial assessments. Rob Schafstall asked if there will be a third assessment once the building is complete, and Ms. Linke confirmed there will be. Mr. Schafstall followed up asking if that third assessment will have its own

seven-year abatement schedule. The city's recommendation will be that once the build out is complete that assessed value be a totally separate abatement. There would then be three abatement schedules running on the real property. The abatement schedule will always be one year off. Essentially there are two tax billings. Ms. Linke pointed out this is done commonly with personal property.

Mr. Ditmars made a motion for a favorable recommendation for the waiver of non-compliance be sent to City Council. Josh DeArmitt seconded. Passed unanimously, 5-0.

Ms. McGuinness made a motion for a favorable recommendation for the CF1 be sent to City Council. Mr. Ditmars seconded. Passed unanimously, 5-0.

Mr. Ditmars asked what activity there has been on the shell building. Ms. Linke reported two site visits in the past couple of weeks. Mr. Schafstall informed of a real estate agent being hired in Cushman and Wakefield. Ms. Linke added a website that has been set up with a virtual tour of the building is available. One company cited Franklin as their top choice but won't be making a decision for three months.

### **Other Business**

### **Adjournment**

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

Respectfully submitted this 8th day of September, 2020.

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Jake Sappenfield, President

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Anne McGuinness, Secretary