



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

January 16, 2018

Members Present:

Bob Heuchan	President
Richard Wertz	Vice President
BJ Deppe	Secretary
Paul Buening	Member
Keith Fox	Member

Others Present:

Krista Linke	Director of Community Development
Rob Schafstall	Legal Counsel

Call to Order:

Bob Heuchan called the meeting to order.

Election of Officers

President – BJ Deppe nominated Mr. Heuchan. Richard Wertz seconded. Passed.
Vice President – Keith Fox nominated Richard Wertz. Mr. Deppe seconded. Passed.
Secretary – Mr. Wertz nominated Mr. Deppe. Paul Buening seconded. Passed.

Approval of Minutes

Mr. Fox made a motion to approve the December 19th, 2017 minutes. Mr. Buening seconded. Passed.

Old Business

New Business

Mr. Fox made a motion to read all new business by title only. Mr. Wertz seconded. Passed.

Resolution 2018-12B: Bastin Logan Property Acquisition and Relocation Incentive \$382,500

Mayor Steve Barnett introduced Bastin Logan and the benefits to the move including getting them out of the flood plain, removing their heavy truck traffic on city streets and giving flood waters a place to accumulate when the buildings are taken down. The future use of the six-acre property could include green space or an outdoor amphitheater. They are working with a landowner to purchase property and rebuild. The appraisal price was \$232,500 and \$150,000 incentive to rebuild their property elsewhere. Mr. Heuchan opened up the public hearing. Mr. Heuchan reminded that the \$150,000 incentive must be reinvested within city limits. A motion was made by Mr. Fox and seconded by Mr. Buening. Passed.

Resolution 2018-13B: Paris Property Acquisition and Reinvestment Incentive \$380,000

Mayor Barnett identified Dan Paris in attendance and reviewed the situation. Mr. Paris has sold his wrecker business but not the property and is not going to reestablish his wrecker business or buy another property. It appraised for \$230,000 and the \$150,000 incentive would go to his Jefferson Street properties. The property never used to flood and now it happens much more frequently due to all the development. A public hearing was held. Mr. Fox made a motion to approve and Mr. Wertz seconded. Passed.

Resolution 2018-14B: Hendershot Property Acquisition \$137,500

Mr. Heuchan opened by calling for a public hearing. Mayor Barnett explained that Mr. Hendershot desired to sell the building and be out. It appraised at \$117,500. Mr. Hendershot was firm on his asking price of \$150,000 and they were able to settle at \$137,500. There was an immediate need. The property to the east already owned by the city will be a parking lot so the Hendershot property allows for expansion of that parking lot. DNR has to be involved to secure the permitting. A public hearing was held. Mr. Schafstall explained that in order for the city to pay more than the average of the two appraisals, the statute requires there to be a finding as to why that is necessary. The parcel must be secured by the city in order to complete the greenway project in this area. Mr. Fox made a motion that sufficient facts have been presented to justify the additional \$20,000 pay out based on facts presented by the mayor. Mr. Buening seconded. Passed. A motion to approve the resolution was made by Mr. Fox and seconded by Mr. Buening. Passed. Mr. Schafstall identified that the hope was to close on these properties in March or April so the RDC needs to authorize a purchase agreement for all three properties with cash at closing and the rehab of Bastin Logan and Paris properties will go through an FDC grant handled separately. Additionally, the buyer and seller will split the cost of an owner's policy of title insurance for the RDC. They will split the closing costs. The seller will pay pro-rated taxes through the date of its possession. Both Bastin Logan and Paris will have possession post-closing to give tenants the chance to find new locations and for clean-up. The purchase agreements are complete, modeled after what was done for Old City Hall. Mr. Deppe asked if the sellers will carry liability insurance. Mr. Schafstall confirmed and Mr. Deppe requested to be sure that was in the agreement. Mr. Fox made a motion to authorize the purchase agreements with closings to occur with Mr. Heuchan to sign. Mr. Wertz seconded. Passed.

Resolution 2018-01: Building Utilities and Maintenance \$35,000

Krista Linke explained this to be a housekeeping resolution for any utilities or maintenance expenses for RDC owned property. It is the same amount it has been the last several years and it is not typically all used. A public hearing was held. A motion was made by Mr. Deppe and seconded by Mr. Fox. Mr. Wertz asked how many properties currently need maintenance. Ms. Linke said this would cover the RDC's parking lots at the southwest corner of Jefferson and Jackson Streets, the Oren Wright lot and the new adjoining parking lot as well. Passed.

Resolution 2018-02: Legal Fees and Expenses \$50,000

Ms. Linke identified this for legal fees and expenses. A public hearing was held. A motion to approve was made by Mr. Deppe and seconded by Mr. Fox. Passed.

Resolution 2018-03: Bond Payments

Ms. Linke described this to be for the two semi-annual bond payments paid on the bond approved in 2015, so it will need to be approved every year until the bond is paid off. A public hearing was held. A motion for approval was made by Mr. Wertz and seconded by Mr. Buening. Passed.

Resolution 2018-04: Rapid Prototype and Engineering \$100,000

Ms. Linke reminded of the approval at the December meeting but the resolution was not done because of the year end timing requiring that another one be done this month. It is the grant to Rapid Prototype and Engineering relocating two businesses to 1400 Commerce Parkway in Franklin. It is a two-part where a \$50,000 incentive is received up front with the relocation of the first business and the remainder after completion of the new building for relocation of the second business. Tax abatements have been approved by both EDC and City Council. A public hearing was held. Mr. Fox made a motion and Mr. Buening made a second. Passed. Mr. Heuchan verified the FDC will oversee this.

Resolution 2018-05B: Programming Funds for the Franklin Development Corporation \$400,000

Mr. Heuchan introduced this request as a carryover from last month's presentation by Jeff Mercer and Mayor Steve Barnett. Mr. Schafstall explained that these funds are coming out of the bond proceeds and he did not write the resolution that way, so the resolution needs to be amended to reflect that. Mr. Deppe made the motion to amend the resolution accordingly and Mr. Buening seconded. Passed. A public hearing was held. Mr. Fox made a motion to approve the resolution. Mr. Deppe seconded. Passed.

Resolution 2018-06: Shell Building Expenses

Ms. Linke explained \$100,000 had been approved in 2017 to cover expenses in readying the shell building property and is a carry over to get the additional funds appropriated for this year. Mr. Heuchan declared a public hearing. Mr. Fox made a motion to approve and Mr. Buening seconded. Passed.

Resolution 2018-07: Flood Property Expenses

Ms. Linke explained \$50,000 originally appropriated and a couple of things paid for appraisals and a couple of invoices still pending as well along with Phase 1 environmental studies. This is also carry over from the one approved last year. A public hearing was held. A motion to approve was made by Mr. Fox and seconded by Mr. Wertz. Passed.

Resolution 2018-08: Oren Wright Parking Lot Improvements

Ms. Linke reminded this to be carry over for the planned for improvements to the older part of the parking lot owned at the southwest corner of Jackson and Jefferson including mill and overlay, removal of trees and signage update. This resolution is to cover these expenses. Mr. Wertz asked if this was being done in house. Ms. Linke explained the design will be in house but construction work will be done by hired contractors. A public hearing was held. A motion for approval was made by Mr. Wertz and seconded by Mr. Deppe. Passed.

Resolution 2018-09: Westview Drive and Jefferson Street Roundabout Supplemental Contract for ROW Acquisition and Engineering \$9,800

Mr. Linke explained these were RDC approved last year but were not encumbered so need to be approved for this year. A public hearing was held. A motion to approve was made by Mr. Fox and seconded by Mr. Wertz. Passed.

Resolution 2018-10: Urban Trail Right-of-Way Acquisition and Engineering Supplemental \$245,315

Ms. Linke explained this to be a similar situation for the asphalt path and sidewalks along both sides of Jefferson Street west of 31 to Westview Drive. A public hearing was held. A motion to approve was made by Mr. Fox and seconded by Mr. Buening. Mr. Wertz asked if the trail was already done from 31 to the downtown area and Ms. Linke confirmed. Motion approval passed.

Resolution 2018-11: Linville Way Project Miscellaneous Expenses

Ms. Linke presented this to be in reference to the appraisals needed for the right of way offers for purchase of the drainage property on Commerce Parkway in exchange for the Linville Way right of way needed to build the road. Engineering surveying and appraisal expenses were included. It was approved last year and not carried over to this year. A public hearing was held. A motion to approved was made by Mr. Fox and seconded by Mr. Buening. Passed.

Resolution 2018-15: Franklin Tech Park Site Silver Certification

Dana Monson reviewed this to be the certification being done for both Franklin Business and Tech Park to have state site certified approved sites. It helps with the due diligence for the companies potentially looking to build in those areas. It is also a carryover from last year. Ms. Linke highlighted that there should only be one more invoice. Because the last 60 acres sold in the Tech Park there will be some cost savings because that level of certification won't be sought since there is no land remaining. A public hearing was held. Motion to approve was made by Mr. Wertz and seconded by Mr. Deppe. Passed.

Resolution 2018-16: King Street Construction

City engineer Mark Richards identified that the attached supplement on the resolution was incorrect as it was for South Main Street which had already been addressed. The construction amount to be funded for King Street Phase Four is \$905,600. INDOT let the project last month. The total contract amount for construction is \$4,528,000. The City of Franklin is obligated to pay 20% of that cost. The contract will be awarded officially once INDOT receives the check for that amount. Mr. Richards would like to be able to cut the check this week and submit to INDOT Friday. Mr. Richards explained the 80% federal match is from the state and the 20% comes from the RDC. The project is on King Street from Fairway Lakes Drive to the Eastview roundabout but not inclusive of the roundabout. Mr. Heuchan asked additional questions regarding the description of the roundabout. A public hearing was held. A motion to approve the resolution was made by Mr. Wertz and seconded by Mr. Fox. Passed. A discussion ensued regarding the schedule required to meet the check deadline.

Resolution 2018-17: King Street Inspection

Mr. Richards identified HWC Engineering selected to do the inspection work of the same project. The initial contract was in the range of \$610,000 or not to exceed 12.5% of the construction amount which is INDOT guidelines. The \$566,000 is 12.5% of the amount being awarded for the contract. Once approved by RDC it will go to the Board of Works and Public Safety for approval. Mr. Heuchan added that funds come out of RDC funding. A public hearing was held. Motion to approve was made by Mr. Fox and seconded by Mr. Buening. Passed.

Resolution 2018-19B: Eastview/Arvin/Hurricane Road Roundabout Project \$12,600

Mr. Richards highlighted the incorrect amount listed for this project as the actual ROW acquisition amount is in the range of \$155,000. He tried to access Ms. Linke's spreadsheet but couldn't get in to it. There are four or five parcels, the main one being the Clawson parcel both at the northeast and southeast corners. It includes acquisition of an existing building which will be demolished for the project. That single parcel is roughly \$140,000. Ms. Linke will double check the amount. Mr. Schafstall advised tabling until the amount can be verified.

South Main Street Right-of-Way Acquisition Services Supplemental Contract \$793,360

Mr. Richards explained this as acquisition of right of way for 42 parcels to be acquired, 92 separate legal descriptions that have to be written. This is for sidewalks and trails on South Main Street all the way to US 31 from the newly rebuilt South Main Street bridge. It is a federally funded project. There is no right

of way included in the project for federal funding, so it is an RDC expense. Ms. Linke explained the need for Mr. Schafstall to prepare a resolution to appropriate funds for the next meeting. The contract would be through the Board of Works paid for by the RDC. Mr. Heuchan reiterated that there is no federal funding for right of way on this project leg but only for construction at a 20% match which covers the pedestrian portion of the project plus some drainage and does not include road reconstruction. Mr. Fox made the motion to instruct Mr. Schafstall and staff to bring a resolution to the February meeting. Mr. Wertz seconded.

South Main Street Parking Lot Supplemental #1 \$31,500

Mr. Richards described this to be a supplement to the design contract for the South Main Street parking lot Crossroad is working on located at the northwest corner of the new bridge at South Main Street and Young's Creek. With the acquisition of the Hendershot property, Mayor Steve Barnett directed to request a supplement for the design contract to be able to design the entire existing parking lot plus the Hendershot property to complete it as a single project. Mr. Fox made a motion to direct legal counsel to prepare a resolution for the February meeting. Mr. Deppe seconded. Passed.

Other Business

December 2017 Financial Report

Ms. Linke highlighted the county receipts and November property tax. She will ask Jeff Peters to provide an explanation on why the May and November tax amounts are so different. She further pointed out interest earned and capital monies spent in full. Reimbursements are listed and updated and 2017 resolutions at year end.

2017 TIF Bond: December 2017 Financial Report

Ms. Linke reminded again that funds have to be spent by end of June 2018. With today's resolution approvals, the fund has actually been overspent so that all of the next paid bills for large projects come out of this fund to be spend before June's end. Some resolutions will come back to be paid out of the TIF Control Fund once the Bond Fund is entirely spent.

Public Comment and Announcements

Mr. Heuchan reminded that February through April, RDC meetings will start at 9:00 a.m. He also commended Mayor Barnett for his work on the buyout properties.

Mr. Wertz asked Chris King for the status of the shell building. Mr. King confirmed they are still pretty much on the originally presented time table.

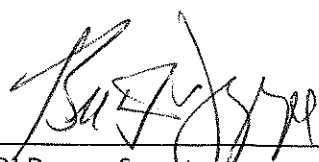
Mayor Barnett gave an overview of the construction coming in 2018 starting in March. Mr. Deppe asked if there will be handouts to make available. Mr. Richards is working on that and have to hand out at the February 8 State of the City address. Mr. Wertz suggested social media. The mayor said he will have Tara Payne work on that.

There being no further business, the meeting was adjourned.

Respectfully submitted this 20th day of February, 2018.



Bob Heuchan, President



BJ Deppe, Secretary