



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

January 11, 2022

Members Present:

Jake Sappenfield	President
Josh DeArmitt	Vice President
Lee Hodgen	Member
John Ditmars	Member

Others Present:

Dana Monson	Community Development Specialist
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Call to Order:

Jake Sappenfield called the meeting to order.

Roll Call & Determination of a Quorum

Approval of Minutes

John Ditmars made a motion to approve the October 19th minutes. Josh DeArmitt seconded. Passed unanimously, 4-0.

Old Business

New Business

Election of Officers

- a. President
- b. Vice President
- c. Secretary

Mr. Ditmars asked if Mr. Sappenfield wanted to continue to preside over EDC. He confirmed he was willing to serve another year. Mr. Ditmars made a motion to nominate the same slate of officers from last year. Mr. DeArmitt seconded. Passed unanimously, 4-0.

EDC 2022-01: Overton Industries/Tube Forming Systems Personal Property Tax Abatement – Dana Monson introduced this request for a five-year tax abatement on \$247,068 for personal property. They are adding new equipment. They are also adding one new employee. They have agreed to the five percent economic development fee.

Scott Buie reported their acquisition of two super speed mills they will be adding to their existing equipment along with a laser part marking system.

Mr. Ditmars asked if it was new production. Mr. Buie explained it is supporting everything they do now. It will allow them to do some services in house they cannot do now. Lee Hodgen asked if the equipment

being added was new, and Mr. Buie confirmed. Mr. DeArmitt asked about any difficulties with the labor force and turnover. Mr. Buie expressed the difficulty in finding precision machinists. They have a structured apprentice program. They lost 10% of their workforce due to retirement at the start of Covid.

Mr. Sappenfield expressed his opinion that the size and scope of the project is on the lower end of abatement requests usually considered by EDC. He was comfortable with staff's recommendation for a three-year abatement. Mr. Ditmars concurred and further expressed his thought that \$250,000 was more in the ordinary course of business. The economic benefit to Overton is approximately \$6,000 over three years, seemingly inconsequential in the grand scheme. Mr. Sappenfield concurred and also identified the precedent decision this would be. Ms. Monson added that the property is in the ERA so that designation was not needed. Mr. DeArmitt did not find the request in line with what is done elsewhere in terms of savings vs. jobs created. Everyone recognized the city's quality partnership with Overton up to this point.

Rob Schafstall reminded of the findings needing to be made by the EDC as outlined in the staff report under paragraph five. He further advised for a specific motion as it related to finding "e" explaining why the EDC chose to pass on this request.

Mr. Ditmars made a motion that given that the totality of the benefits is not in the opinion of the Commission sufficient to justify the tax abatement, the recommendation to City Council is not favorable. Mr. DeArmitt seconded. Passed unanimously, 4-0.

Ms. Monson reminded this will go before City Council next Wednesday, January 19, at 6:00 p.m. An Overton representative needs to be in attendance at this meeting.

Mr. Ditmars asked of Mr. Schafstall if this is a case by case decision or if there is a threshold number or purpose. Mr. Sappenfield added whether it is EDC's responsibility to set that standard. Mr. Schafstall explained there is no such rule, but EDC could adopt such. The criteria identified in the staff report is EDC created, however the findings are required by Indiana Code. Ms. Monson thinks case by case is important as every company and case is different and she doesn't want to see EDC to be locked in.

Other Business

Rosie Chambers reported that the community calendar is complete and will be launched at the same time as the chamber website in March.

Mr. Sappenfield asked for a status update on the Discover Downtown Franklin project. Ms. Linke explained that Jess Giles is proceeding with the bicycle rack project but still trying to secure additional funding.

Ms. Monson announced the receipt of the final disbursement which was a little short. One company did not pay their EDC fees. She is trying to contact them to determine why.

Adjournment

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

Respectfully submitted this 8th day of February, 2022.

Jake Sappenfield, President

Shawn Taylor, Secretary