



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

June 18, 2024

Members Present:

Anne McGuinness

BJ Deppe

Paul Buening

Kristi Ott

Vice President

Secretary

Member

School Board Representative

Others Present:

Krista Linke

Dustin Huddleston

Community Development Director

Legal Counsel

Call to Order:

Anne McGuinness called the meeting to order at 8:00 a.m.

Roll Call & Determination of Quorum

Approval of Minutes – Paul Buening made a motion to approve the May 21, 2024 minutes. BJ Deppe seconded. Passed unanimously, 3-0.

Approval of Claims – Mr. Deppe made a motion for approval. Mr. Buening seconded. Passed unanimously, 3-0.

Old Business

New Business

Tax Impact Analysis Presentation – Jeff Peters – Mr. Peters gave a presentation accompanied by a PowerPoint presentation. One of the annual RDC requirements is to report to the underlying taxing units impacted by capturing assessed value for allocation areas. There are two impacted taxing districts, Franklin-Franklin and Franklin-Needham townships. The underlying taxing districts impacted are Johnson County, Franklin Township, City of Franklin, Johnson County Library and Johnson County Solid Waste. Mr. Peters gave a 2024 overview, procedures and commentary as detailed in his submitted report. The assessed value in Johnson County for 2024 was \$10.77 billion. The total district tax rate for all the underlying units of government is 2.8969%. Total impact to the Franklin-Franklin district is \$237,050. Total impact for the Franklin-Needham taxing district is \$226,708. The amount of generated revenue is approximately \$5.9 million a year. The impact is less than \$464,000. The RDC should consider projects that would produce depreciable personal property to capture. Sometimes personal property investment will exceed real property investment.

Mr. Deppe asked if Mr. Peters was aware of any other RDC's that have used money as Franklin has and then decided at some point later to stop. Mr. Peters cited one example from LaGrange County.

Economic Development Agreement with Malarkey Roofing – Dustin Huddleston and Malarkey's legal counsel have been meeting and Malarkey has made some changes which they sent to Mr. Huddleston. Krista Linke has not received any response from Malarkey, so it was not ready for today. Mr. Huddleston felt his comment notes to be self-explanatory but was willing to answer any specific questions. He preferred to wait until the July meeting rather than contingently approving, allowing time for their response. Ms. Linke offered highlights of the agreement.

351 E. Jefferson Street Fire Suppression System Discussion – Iozzo's decided they wanted to build out the second floor as well. Their architect did not inform them that this would require a fire suppression system, back staircase and an ADA-required chair lift that is not in their current scope of financing. FDC has paid only for the property electrical upgrade. Iozzo's has not requested any assistance for the buildout. Their estimate for the additional work is approximately \$72,000. This is before RDC to discuss whether they would choose to give them a grant to cover this expense. Mayor Steve Barnett is in favor of the project and the financial assistance to them for the fire suppression system since the FDC owns the building. Mr. Deppe was in support of the mayor's sentiment to support Iozzo's in this project. Mr. Buening asked how much FDC has already committed. Ms. Linke responded that since 2016, \$350,000. Mr. Buening would like the opportunity to review what has been spent on the property but in general was supportive. If RDC was in favor, Ms. Linke wanted to be able to work with Mr. Huddleston on a grant agreement for the July meeting. Iozzo's has two estimates and are waiting on a third. Mr. Huddleston added the advertisement requirement as well.

Other Business

May 2024 Financial Reports

Integrated TIF – Year-to-date expenditures through May is \$2,232,000. Remaining appropriations are \$4,646,000. If all are spent by year end, remaining cash balance would be \$3,145,000. The first disbursement of property taxes should be by the end of June.

US 31 TIF District – Estimated expenditures through May are \$323,000. The majority was for the bond payment. Remaining appropriations are \$377,000, leaving a remaining estimated cash balance of \$650,000 at year end.

June 18, 2024 Cash Flow Analysis Worksheet – Ms. Linke identified some report changes.

Public Comment and Announcements

Mayor Barnett reported the E. Jefferson Street sidewalk project to be going well. The Earlywood roundabout is delayed for about a month due to Duke Energy. It will not be open before school starts. Malarkey has announced coming to Johnson County, so the mayor feels confident it will happen. He thanked the RDC members for their time on the Commission.

Dana Monson announced Ethos to be this Saturday. Almost 80 artists will be featured.

City Engineer Mark Richards reported that Duke is to be on site for the relocation at the roundabout today or tomorrow. The US 31 project is scheduled for letting in December.

Rob Shilts said the Artcraft is preparing to start the final phase of grinding and tuck pointing and emergency repairs on the north side of the stage fly loft. The scaffolding will go up June 25 and should

not disrupt the alley or Willard patio. He is also working with Tony Priola of the Willard. They should have the engineering study by mid-July for the Willard.

Amanda Rubadue reported that projects are picking back up. Teacher field trips have begun.

School Superintendent David Clendening announced closing on the Earlywood property Monday. It will be demolished and the plan is for a preschool center to be located there. Fifty children are on the waiting list for the school's preschool and approximately 80 for the developmental preschool. Estimates and timeline are anticipated by the end of the third quarter.

Adjournment

Respectfully submitted this 16th day of July, 2024.

CITY OF FRANKLIN REDEVELOPMENT COMMISSION

Richard Wertz, President

Anne McGuinness, Vice President

Brian J. Deppe, Secretary

Paul Buening, Member

Josh Prine, Member