



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

April 9, 2024

Members Present:

Josh DeArmitt	President
Shawn Taylor	Vice President
Eric Luegers	Secretary
Lee Hodgen	Member
Lisa Jones	Member

Others Present:

Dana Monson	Community Development Specialist
Ellen Fredbeck-Ramirez	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 7:59 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

March 12, 2024 Meeting Minutes – Lee Hodgen made a motion for approval of the minutes. Lisa Jones seconded. Passed unanimously, 5-0.

Old Business

C 2024-07: Energizer Holdings Public Hearing – Energizer has not met any of their numbers. At the March meeting, they were found to be not in compliance. They were invited to come to this meeting and failed to appear. Eric Luegers moved to find in non-compliance. Shawn Taylor seconded. Passed unanimously, 5-0.

C 2024-15: GMI Corp Public Hearing – GMI requested a termination of their abatement so they can come back at a later date. They want to maintain a good relationship with Franklin. They have a dispute with their equipment manufacturer, so the project is not able to be completed as originally stated. It is an issue out of GMI's control. GMI was invited to appear but sent a letter in response. Mr. Taylor moved to find in non-compliance at the request of GMI and terminate their abatement. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-52: Dae Chang Seat Company Public Hearing – This project has not come to fruition. There has been no response to contacts from Dana Monson. Their site selector is experiencing the same lack of communication. They were invited and failed to appear. Mr. Luegers moved to find in non-compliance. Ms. Jones seconded. Passed unanimously, 5-0.

New Business

C 2024-01: Aisin Industries – Their numbers are excellent. Mr. Hodgen moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-04: BP Rex – They are below in their investment and explained the main reason to be that they were not able to make some of their final purchases during the pandemic. They have since acknowledged their decision to not make those final purchases so will likely be below those numbers going forward. All other numbers look good. Mr. Hodgen moved for compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-08: Essex Furukawa 21-14 – This was their first project for personal property. The main reason they are a little below in wages is due to having to train their new hires instead of hiring already trained, so they are starting new hires out at lower wages. By the end of 2025, all employees should be up to full wages. Mr. Luegers moved to approve for compliance. Mr. Taylor seconded. Passed unanimously, 5-0

C 2024-09: Essex Furukawa 23-06

C 2024-10: Essex Furukawa 23-07

Real property is 09 and personal property is 10. This is the project that began last year and is about halfway completed. Total completion is still projected for the end of 2024. Their hiring is being completed in stages with confidence that they will make their total numbers. Mr. Taylor moved to find both cases in compliance. Mr. Luegers seconded. Passed unanimously, 5-0

C 2024-11: G & H Wire 21-12 – G & H Wire did not meet the deadline. Their submittal was not received until last Thursday afternoon. Ms. Monson prepared it for today's agenda as she did not wish to do a waiver of non-compliance. Their hires are below by 123. A good explanation was not provided for their low employment numbers. Staff recommended approval but with the stipulation that they be asked to appear before the commission to give a satisfactory explanation. Ms. Monson requested a deficit letter. The options before the commission are to approve a request for appearance. The decision could be withheld until the May meeting which would be after the deadline for submission so would additionally require a waiver of non-compliance. Mr. Taylor made a motion for continuance and requested they appear at the May meeting. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-26: NSK Corp 13-20 – This is the last year for this abatement. They are well above in their wages, and Ms. Monson asked and received assurance from NSK on the accuracy of these numbers. The value of the yen to the dollar affected their property numbers. Mr. Hodgen moved to find in compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-27: NSK Corp 16-19 – Mr. Hodgen moved for compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-28: NSK Corp 22-07

C 2024-29: NSK Corp 22-08

They are on track for project completion by yearend. Mr. Luegers moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-31: NSK Precision 13-18 – This abatement is almost complete and numbers are good. Ms. Jones moved for compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-32: NSK Precision 22-09

C 2024-33: NSK Precision 22-10

This project should be complete by yearend. Mr. Taylor sought clarification on how a wage jump from \$18/hour to \$65/hour was verified. Ms. Monson contacted their controller and was assured that it was accurate reporting but is to send Ms. Monson documentation. She also believed when \$18 was previously reported that they were already paying above that and just reporting conservatively. Ms. Jones moved to find both cases in compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-34: Ortho America PRJ – Their project was to be complete by yearend. However, Ortho sent a letter identifying that with supply chain, interest rate, and market volatility issues, they have started building improvements but have slowed the building addition timeline. They still plan the full 100 employees by yearend. By 2025 they hope to do the addition. Mr. Luegers moved to find in compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-35: Ortho America – This is the personal property. They anticipate it all being purchased and in by yearend and the full hire of 18 employees. Ms. Jones moved to find in compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-38: Powder Metal Tech – This is only a real property abatement. They sent a deficiency letter stating their struggle with their employee count and explaining their business relationship with Toa and how that has negatively affected their counts. There is one more year on this abatement. They appeared before the commission in 2021. Mr. Hodgen moved for in compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

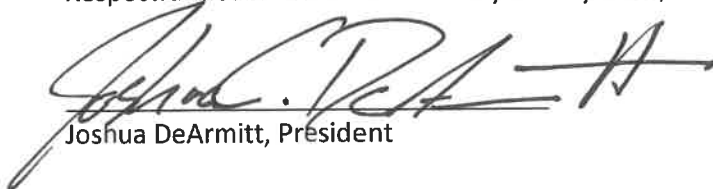
Other Business

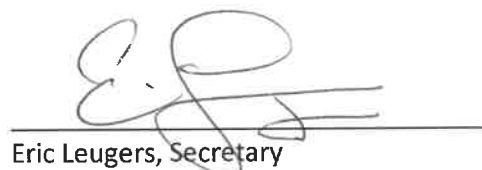
2024 Economic Development Fee Grant Application – The county has identified the total to be \$90,000. The total will be less with the Energizer abatement not being approved. With approval of the application, Ms. Monson will send it out to the non-profits working in economic development. Last year's awards went to the Chamber of Commerce, Discover Downtown Franklin, and Franklin Heritage. Ms. Jones moved to approve the application and authorize its distribution by Ms. Monson. Mr. Luegers seconded. Passed unanimously, 5-0.

Adjournment

There being no further business, a motion for adjournment was made by Mr. Hodgen with a second from Mr. Taylor. It passed unanimously, 5-0.

Respectfully submitted this 14th day of May 2024,


Joshua DeArmitt, President


Eric Leugers, Secretary