



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

October 8, 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
David Yount	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 7:57 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

June 11, 2024 Meeting Minutes – Lee Hodgen made a motion for approval of the minutes. Shawn Taylor seconded. Passed unanimously, 5-0.

Old Business

New Business

EDC_2024_04: Modern Metal Roofing (Cornett Roofing) Tax Abatement Application – Dana Monson introduced this request from Chan Cornett. He proposed an addition to his current facility on Amy Lane. Currently, there are two separate parcels. They will be combined upon project completion. Currently, the 1518 Amy Lane address is being used. His request was for a five-year, real property abatement of \$1.2 million in investment for his facility and a five-year, personal property abatement of \$350,000 for the addition. It is for a 9,860-square-foot expansion and some new equipment. Mr. Cornett was amenable to the two and five percent economic development fees. He will be adding six additional employees over three to five years at an average wage of \$25/hour.

Mr. Cornett expressed his excitement about continuing the development. They have a 140' setback Projects Plus has been working with them on. Projects Plus anticipates submitting to the city in November. Mr. DeArmitt asked for an explanation of the purpose of the project and what it entails. Mr. Cornett explained that they manufacture a stamped product in their current building. They have outgrown the space. The mechanical metal fabrication is in the building and needs to be shifted to the northern building. They continue to ship more products out of state. They need the space for additional manufacturing capacity. Mr. DeArmitt asked for an explanation of employee benefits and turnover rates. Employees have access to full healthcare and 401K. They have 10 current employees with over

10 years and five with over 20. They moved to Franklin in 2010, and they hired out of Franklin College. Mr. Taylor spoke in favor of a five-year for the real property but sought discussion on the length of the personal property. He believed five years to be long with the amount of money spent. Mr. Taylor remembered a similar request before the City Council previously and their negative reaction to the case. Mr. Luegers agreed. The suggested reduction was to three years. Mr. Cornett responded that with inflation, buildings that would have cost \$500,000 are now costing a million. He maintained that the product doesn't make a lot of sense. It can't be rented for enough to cover the cost per foot. Mr. Cornett maintained that the abatement makes the project make sense. It is a smaller building on a smaller piece of property than they want. Any deviation makes it less attractive. Mr. Taylor understood Mr. Cornett's explanation but also highlighted the need to be good stewards. He actually considered no abatement on the personal property but was willing to go with a five- and three-year abatement to recommend to the City Council. Mr. Luegers and Mr. DeArmitt both concurred.

Mr. Luegers made a motion that findings have been met for an ERA designation. Lisa Jones seconded. Passed unanimously, 5-0. Mr. Taylor made a motion for an ERA designation. Mr. Hodgen seconded. Passed unanimously, 5-0. Mr. Luegers moved that the findings for the abatement were met. Ms. Jones seconded. Mr. Taylor moved for a favorable recommendation to be given to the City Council for a five-year real property and three-year personal property abatement with EDC fees. Mr. Luegers seconded. Passed unanimously, 5-0. Ms. Monson will follow up with Mr. Cornett in preparation for the October 21 City Council meeting.

EDC_2024_05: Innovative 3D Tax Abatement Application – Ms. Monson introduced this case. The company began in Franklin, and they have purchased just over 3.5 acres for an expansion on Linville Way in the Franklin Business Park. Originally they requested a 10-year abatement on five million dollars in real property investment and two million dollars in personal property investment. They are amenable to the two and five percent economic development fees. They plan to add 10 new employees over five years at an average of \$25/hour.

Founder and owner Chris Beck gave an overview of the company via PowerPoint. They need office space. Mr. Hodgen asked if they use all metals. Mr. Beck replied that they are generally in superalloys. They have purchased the five acres and are working with the architects on a 30,000-square-foot building and possible future expansion up to 42,000 square feet. They currently have 14 metal printers and in five years anticipate 50. They run lights out. The average wage is \$25/hour with benefits of health insurance and 401K. They have 15 current employees. They give back to the community. Mr. Luegers asked if new opportunities seek them out. Mr. Beck assured that they do. He receives referrals. Mr. Taylor asked if they would retain the old building. Mr. Beck responded that they would probably sell. Their employee turnover is zero. Mayor Steve Barnett and Mr. Luegers were in support of a seven-year on the real and five-year on the personal over a 10 and 10 as requested by Mr. Beck. Mr. DeArmitt concurred. Ms. Monson explained that the abatements stay with the building. Regardless of ownership, the previous abatement will stay there and fall off upon completion.

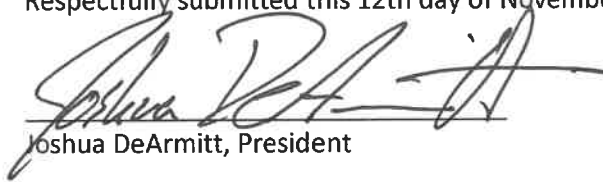
The previous ERA expired, so Mr. Taylor moved that findings have been met for the ERA designation. Ms. Jones seconded. Passed unanimously, 5-0. Mr. Luegers moved to find the property in the ERA. Mr. Taylor seconded. Passed unanimously, 5-0. Mr. Taylor moved that the findings for the abatement have been met. Mr. Hodgen seconded. Passed unanimously, 5-0. Mr. Luegers moved to approve the five-year personal property and seven-year real property abatement with EDC fees be recommended to City Council. Mr. Taylor seconded. Passed unanimously, 5-0.

Other Business

Adjournment

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

Respectfully submitted this 12th day of November 2024,



Joshua DeArmitt, President



Eric Leugers, Secretary