



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

November 14, 2023

Members Present:

Josh DeArmitt	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 8:00 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

September 12, 2023, Meeting Minutes – Lee Hodgen made a motion for approval of the minutes. Lisa Jones seconded. Passed unanimously, 4-0.

Old Business

EDC Fee Grant Update – Festival Country: Ken Kosky – Mr. Kosky expressed gratitude for the grant funds received for the Kuji Alley project. He gave an update on the work accomplished to date and project elements yet to be completed. It is approximately halfway done at present.

EDC Fee Grant Update – The Artcraft Theater: Rob Shilts – Mr. Shilts reported progress on the grinding and tuck pointing and the magnitude of the scaffold installation. Duke Energy moved the power lines last week. He thanked the EDC for the EDC funding.

EDC Fee Grant Update – Franklin Chamber of Commerce: Rosie Chambers – Ms. Chambers expressed gratitude for the capacity-building program the chamber was able to do. Thirteen small businesses were awarded funds to help with their projects. Capacity building is focused on growth over daily needs. Grants were between \$2-2,500. The businesses were very appreciative. Ms. Chambers is securing statements of impact from each entity.

FDC Project Progress Report: David Bedwell – As FDC board president, Mr. Bedwell highlighted FDC annual reports and work over the last several years. In 2021, \$182,000 was awarded in residential and commercial programming. In 2022, \$172,000 was awarded. And year to date in 2023, \$267,000 has been awarded. Mr. Bedwell expressed partnership with both EDC and RDC. The Iozzo's lease has been executed for 351 E Jefferson, and their renovation is underway for opening after the start of 2024.

Between Iozzo's rental income and over \$400,000 in loan repayments along with yielded interest, FDC will remain self-sufficient.

New Business

FDC Appointment Renewal from EDC, David Bedwell – Mr. Bedwell expressed his enjoyment in serving on the FDC and requested to be reappointed. Eric Luegers made a motion to reappoint Mr. Bedwell to the FDC. Ms. Jones seconded. Passed unanimously, 4-0.

EDC 2023-09: Mitsubishi Turbo Engine America Tax Abatement Request – MTEA came in 2013 as a startup in Franklin. They moved into a portion of the building Mitsubishi Heavy Industries Climate Control originally occupied. MTEA is adding two new lines and moving into more of the space. The property is already designated for an ERA. They have a previous personal property abatement and MHICC received a real property abatement for the space. This is their second ask for an abatement. They are amenable to the EDC fee.

Plant Controller Atsushi Une and Linda Brown of MTEA presented. The two new assembly lines are to support the new GM program which they anticipate to last five years. They believe this will be approved and completed around the end of March. They plan to hire an additional 22 employees. Mr. Luegers asked how long it will take new hires to be able to advance from the starting wage of \$15.50 to the post-training wage of \$19.88. Ms. Brown stated within a year depending on the skill level and employment duration of each new hire. Mr. DeArmitt asked about turnover and how successful they thought they would be in hiring at the \$15.50 starting wage. Mr. Une acknowledged their difficulty in hiring at that initial wage. They have a sign-on bonus program and may have to increase the starting wage. Ms. Brown added that there is free insurance for employees.

Mr. Hodgen made a motion that findings of fact have been met. Mr. Luegers seconded. Passed unanimously, 4-0. The mayor's office recommended a three to five-year abatement. Mitsubishi requested a five-year abatement. Mr. DeArmitt advised a three-year abatement due to the lower starting wage of \$15.50. Mr. Hodgen concurred and made a motion for a three-year abatement with a five percent EDC fee. Ms. Jones seconded. Passed unanimously, 4-0. This will go before the City Council on December 4 at 6 pm in Council Chambers.

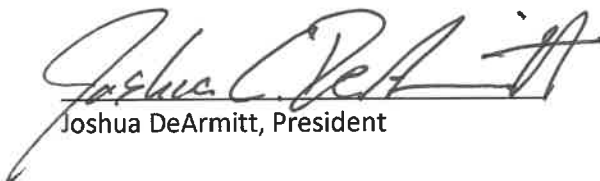
Other Business

2024 EDC Meeting Schedule – This will be the same repeating schedule as 2023.

Adjournment

There being no further business, a motion for adjournment was made and passed unanimously, 4-0.

Respectfully submitted this 12th day of December 2023,



Joshua DeArmitt, President



Eric Leugers, Secretary