CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

April 11, 2017

Members Present:

Jake Sappenfield	President
Josh DeArmitt	Vice-President
Ken Austin	Secretary
John Ditmars	Member
Lee Hodgen	Member

Others Present:

Rob H. Schafstall	Legal Counsel
Krista Linke	Director of Community Development
Julie Spate	Recording Secretary

Call to Order:

Jake Sappenfield called the meeting to order.

Approval of Minutes

Lee Hodgen moved to approve the March 14^{th} minutes. Josh DeArmitt seconded. The motion carried.

Old Business

None.

New Business:

C 2017-01 84 Lumber Company & Pierce Hardy Limited Partnership

Mr. Sappenfield sought clarification on the two different wage amounts stated, both $13.80 and $15.78. Krista Linke explained having been confidentially sent their list of employees and hourly pay rate and W2 payroll. So she took the total divided by the listed employees divided by 52 weeks, 40 hour weeks. The resulting average wage was $15.78. Sometimes companies just calculate different from EDC. John Ditmars motioned to find them in compliance. Mr. Austin seconded. Passed.

C 2017-03 B2S Life Science dba B2S Labs

Mr. Austin moved to find them in compliance. Mr. DeArmitt seconded. Passed.

C 2017-08 Shipston Aluminum Technologies (formerly CTC Casting Technologies)

Mr. Austin moved to find them in compliance. Mr. DeArmitt seconded. Passed.

C 2017-12 Electro-Spec, Inc.

C 2017-13 Electro-Spec, Inc.

Ms. Linke identified these two are for their new facility. Their employee count and hourly wage are higher and also exceeded both personal and real property investments. Mr. Ditmars moved to find them in compliance. Mr. Austin seconded. Passed.

C 2017-14 Electro-Spec, Inc.
C 2017-48 Trueblood Oil Company, Inc.

Ms. Linke explained they are grouped together because Electro-Spec is the building owner and Trueblood the tenant. It is a vacant building and personal property deduction. Mr. Ditmars confirmed they have one more year. Mr. Austin would like to see them bring up their improvements. Mr. Ditmars asked if they intend to move their headquarters here from Terre Haute. Dana Monson said that is what they continue to say. Mr. Austin asked if Ms. Linke could send out a letter inquiring after this and their property improvements. Mr. Austin motioned to find them in compliance. Mr. Hodgen seconded. Passed.

C 2017-16 Fisher Contracting

Ms. Linke explained them to be a bit behind schedule but that they just received their permits to start building. They phased their total number of 12 employees hired over three years so they are actually ahead of their projected schedule and wages are significantly higher. Mr. Austin moved to find them in compliance. Mr. Ditmars seconded. Passed.

C 2017-17 GROK Enterprises
C 2017-33 Nitrex

Ms. Linke explained GROK to be the real estate owner and Nitrex the tenant. They sent a letter explaining their reduction in employee count. Mr. Sappenfield doesn't see evidence of any plans to hire to get to that point, acknowledging that their wages are good. Ms. Linke believes they have started to hire but would be surprised to see them actually reach that number although they do have five more years of their abatement. Mr. Ditmars noted that the letter does not address their shortcomings. Mr. Sappenfield struggled with finding them in compliance when they don't give explanation for the reduction and no statement of their future plan and yet they did make their improvements. Mr. Ditmars concurred and feels with the lack of plan achievement should be an explanation as to why. Mr. DeArmitt also questioned their explanation of a major manufacturing downturn Mr. Sappenfield recommended tabling this to receive further explanation from them.

C 2017-22 JM Stevens Enterprises

Mr. DeArmitt moved to find them in compliance. Mr. Hodgen seconded. Passed.

C 2017-27 Mitsubishi Heavy Industries Climate Control
C 2017-28 Mitsubishi Heavy Industries Climate Control
C 2017-29 Mitsubishi Heavy Industries Climate Control
C 2017-31 Mitsubishi Heavy Industries Climate Control
C 2017-32 Mitsubishi Heavy Industries Climate Control

Ms. Linke explained the same information was used even though projects and investments are different, so they can be voted on together. Mr. Ditmars moved to find them in substantial compliance. Mr. Hodgen seconded. Passed.

C 2017-35 NSK Corporation
C 2017-36 NSK Corporation

Mr. Austin asked about the $11 million shortfall in investments. Ms. Linke confirmed this was in direct relation to their last appearance requesting an amendment. In the past when numbers have come in higher they have requested an amendment so that can receive an abatement on the whole amount. When the amendment would be for less than their original projections, it isn't necessary to request it but would just explain it on their paperwork each year. Ms. Linke's advice to them was to do them one at a time rather than grouping them together. Mr. Ditmars moved to find them in compliance. Seconded by Mr. Hodgen. Passed.

C 2017-42 Premium Composite Technology North America (PCTNA)
Mr. Austin moved to find them in compliance. Mr. Hodgen seconded. Passed.

C 2017-45 BP RX Healthcare Packaging (formerly Rexam)
Mr. Hodgen moved to find them in compliance. Mr. DeArmitt seconded. Passed.

Mr. Ditmars asked what can be done ahead of time through documentation to find out when a business is not going to be in compliance. Ms. Linke explained that in the original packet they are sent they are requested to write a letter of deficiency if they do not meet their original SB1 estimates. Some companies respond and others do not, so it is incumbent on staff to follow up. In response to NSK's appearance to amend down their abatement, Mr. Ditmars asked if the unnecessity of that appearance is communicated to all companies going forward. Mr. Sappenfield is a proponent of the company coming in and explaining if there is going to be a large disparity in their compliance reporting. Mr. Austin suggested all companies could come in and report and update at this time of year. Mr. Ditmars doesn't desire to see them all present in person but simply a letter explaining the needed information.

Other Business
Ms. Linke reported approximately 10 more compliance reports left so she would like a special meeting on April 25. This would give enough time to present to City Council at their May 1 meeting allowing companies to file by May 15 deadline.

Janice Bullman reminded of the chamber luncheon Thursday at 11:30 at Compass Park. The speaker is from MIBOR.

Dana Monson announced Aspire Job Fair at Franklin Community Middle School tomorrow.

Rhoni Oliver announced Farmer's Market opening on May 13.

Adjournment:
There being no further business, a motion for adjournment was made, seconded and passed.

Respectfully submitted this 25th day of April, 2017.

Jake Sappenfield, President

Ken Austin, Secretary