



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

February 16, 2021

Held via Zoom

Members Present:

Richard Wertz	President
Anne McGuinness	Vice President
BJ Deppe	Secretary
Ken Austin	Member
Paul Buening	Member
Kristi Ott	School Board Representative

Others Present:

Krista Linke	Community Development Director
Rob Schafstall	Legal Counsel

Call to Order:

Richard Wertz called the meeting to order at 8:11 am.

Approval of Minutes

BJ Deppe made a motion to approve the January 19, 2021 minutes. Anne McGuinness seconded. Passed unanimously, 5-0.

Old Business

Economic Development Agreement for Newkirk Square Development (Update) – Rob Schafstall reported that the Bemises have agreed to put up a promissory note for \$49,000 payable to the RDC. It isn't due until December 31, 2023. When the Johnson County Assessor assesses the project at two million dollars or more, the promissory note will be forgiven. Due diligence including an environmental assessment is being waited on. After that, closing can take place. Bemis's will pay \$5,000, and a deed to the property would be given to them with a couple years for completion. The promissory note can also be forgiven by a majority vote of the RDC.

Shell Building Update: Economic Development Agreement with G + H Orthodontics – Krista Linke introduced the presence of G & H representatives and their legal counsel Jacob Everett along with Don Treibic. Mr. Schafstall presented a rough draft of the EDA. G + H has responded with some concerns. Mr. Schafstall identified the need for the RDC to determine if they desire to provide \$100,000 of incentives to G + H. Their request is for it to come in the form of purchasing personal property or equipment for the building. It is acceptable and can be done, it just requires a substantial reworking of the agreement.

The revised agreement and an appropriation resolution could come before RDC next month. Mayor Steve Barnett gave a history of negotiations to date and an overview of G + H and this project. A

resolution is also required to appropriate the funds with a 10-day public notice. Mr. Deppe asked how G + H and Patch can move ahead with the lease without title or the deed. Mr. Schafstall confirmed it will all dovetail together with closings and document final drafts. Mr. Austin made a motion to authorize Mayor Barnett, Mr. Schafstall, Mr. Wertz and Ms. Linke to finalize the agreement with \$100,000 of incentives. Paul Buening seconded. Passed unanimously, 5-0.

Mr. Everett asked when the proposed purchase is happening. Mr. Treibic confirmed the existence of an agreement subject to the G + H lease.

New Business

Resolution 2021-07: Commerce Parkway, Arvin Road, Hurricane Street Roundabout – Ms. Linke explained this to be the next roundabout in the truck route bypass. The roundabout itself is \$1.3 million. The construction and inspection is \$196,000. This cost is included in this resolution and also broken out separately in resolution 2021-09. Mark Richards reported bids recently opened. The Board of Works awarded a contract subject to appropriation of the construction funding by RDC. Construction is anticipated to begin in April of this year and completed in August. The bypass route will remain open with the construction of a small bypass lane at the east leg of Arvin Road to the north leg of Commerce Parkway. There will be detours for Hurricane Street and the west leg of Arvin Road. The construction contract with O'Mara is \$1,277,675, Mr. Richards recommending a \$1.3 million appropriation for the project. This could cover potential change orders. A public hearing was held with no respondents. Mr. Buening made a motion to approve the resolution. Ms. McGuinness seconded. Passed unanimously, 5-0.

Resolution 2021-09: Commerce Parkway, Arvin Road, Hurricane Street Roundabout Inspection – Mr. Richards explained this resolution would be changed to a truck route bypass and roundabout design and inspection at Earlywood and Graham. The amount would be \$390,105. Mr. Schafstall will rework and bring it back to the March meeting.

Introduction: Easement for Duke Energy at the Commerce Parkway, Arvin Road, Hurricane Street Roundabout – Mr. Richards presented this request by Duke Energy for the southeast quadrant of the intersection. They have requested a dedicated easement for their transmission line. CrossRoad has put together an easement description. They have completed the appraisal work necessary to determine the value which is \$23,940. It has been presented to the property owner, and their response is being waited on, predicted to be accepted. A motion was made by Mr. Deppe to authorize staff to move ahead in preparation of the appropriation documentation and resolution for the March meeting. Mr. Buening seconded. Passed unanimously, 5-0.

Resolution 2021-08: Oren Wright Parking Lot Repairs – Mr. Richards introduced the dollar amount to be based on a cost estimate he put together. The original intent was to do a mill and overlay project. The county did a seal coat and restriping. The mill and overlay is needed to protect the surface. The cost is \$75,000. A public hearing was held. There being no respondents, a motion for approval was made by Mr. Deppe and seconded by Mr. Buening. Approved unanimously, 5-0.

Truck Route Bypass – Earlywood and Graham Road Roundabout Design Discussion – Mr. Richards explained the city's submission a year ago to the Indianapolis MPO for reconstruction of this intersection. Because of the transition from federal funding to state funding, there will not be an open call for projects for several months yet. The mayor has requested the design portion to move forward. Mr. Richards explained the importance and significance of this project. \$390,105 is the total for design

and inspection and the contract with CrossRoad Engineers. Made a motion to authorize staff to prepare a resolution for design and inspection fees for the March meeting. Design and inspection can be separated out or put together. Construction funding would be local if MPO does not fund. Mr. Deppe believed construction funds should be approved before inspection costs. Trent Newport assured that this is the way we have done it on previous projects. Mr. Schafstall will prepare documentation for the March meeting.

Jim Black Road – Phase 1 Construction Contract \$550,000 – Mr. Richards reported bids were open two weeks ago. Milestone Contractors was the low bidder at \$527,200. The evaluation bids were not completed prior to the required advertisement date. Mr. Schafstall will prepare documentation for the March meeting.

Other Business

2021 City Projects Update – Mayor Barnett – Mayor Barnett preferred to give this presentation in person at the March meeting.

Key Dates and Annual Requirements – Ms. Linke updated yearly requirements to the state. The TIF management report is being worked on. An annual report will be given to the RDC and City Council. The notice of no excess TIF in June goes out to all other tax entities.

January 2021 Financial Reports – The initial cash balance including the TIF control and capital funds is \$2,843,000. Anticipated revenue for the year is just over four million. Expenditures through the end of January were \$733,430. Estimated cash balance at the end of the year is \$4,406,000. US 31 TIF January bond payment was made for \$296,000. Estimated yearend account balance is \$1.5 million. The source of the negative bond balance of \$683,000 is the US 31 TIF District.

February 2021 Cash Flow Analysis Worksheet – Ms. Linke highlighted several projects. Mayor Barnett added the anticipation of a \$350,000 return to RDC from the shell building.

Public Comment and Announcements

Mr. Deppe commended the snow plow crews and the job well done.

Respectfully submitted this 16th day of March, 2021.


Richard Wertz, President


BJ Deppe, Secretary