



MINUTES

January 27, 2022
Board Meeting

Members Present

Kim Kasting President
Tina Gross.....Vice President
Amy Richardson..... Secretary
Lisa Jones.....Treasurer
David Bedwell.....Member
Amanda Ott Member
Dustin Royer Member

Others Present:

Krista Linke Community Development Director
Rob Schafstall.....Legal Counsel

Welcome:

Kim Kasting called the meeting to order at 8:05 a.m.

Approval of Minutes – December 16, 2021

Tina Gross made a motion for approval of the December 16th minutes. Amy Richardson seconded. Passed unanimously, 7-0.

Election of Officers

President – Kim Minton
Vice President – Tina Gross
Treasurer – Lisa Jones
Secretary – Amy Richardson

David Bedwell made a motion to retain the same slate of officers. Amanda Ott seconded. Passed unanimously, 7-0.

Monthly Reports:

B. Awareness Committee or Monthly Update:

1. Website Proposal – Clever Dogs Media – The Awareness Committee has been meeting monthly. Their goal is to tell the FDC story in the best way possible. They have worked to identify any barriers to telling the story and determined that the chief barrier is the current website. Rhoni Oliver did a great job developing the free website initially. They have determined there are now further needs. Dana Monson reached out to Clever Dogs Media. They have done many websites in Franklin, the chamber of commerce one of their most recent projects. A proposal was sent to all board members for review. The current website is hard to navigate and update. It is not as visually appealing as the committee wishes. It is hard to read and very bright green. Their goals are to tell what FDC has done and accomplished and also easy to use for loan and grant applicants. The cost would be \$4,000 plus a \$100 monthly fee which includes full technical support, all updates within 24 hours, hosting fee and tracking of Google analytics. Ms. Richardson highlighted a number of proposal highlights from Clever Dogs. They can complete

the website in four weeks. Dana Monson reviewed the difficulties and limits in working within the current free template website. She also gave information on the use of the current website. Tina Gross added that Jeff is an excellent storyteller with a journalistic background and so will be a big help in showcasing the work of FDC. Ms. Richardson asked for approval for both the fees and the blessing of the board to guide and complete the work at sub-committee level as long as they stay within the budget confines. Ms. Monson reviewed fees for the current website. The Awareness Committee members are Dana Monson, Tina Gross, Amy Richardson, Tracy Smith, Krista Linke and Jennifer Mann. Lisa Jones asked if Rob Schafstall had reviewed the contract and he responded he had not.

Ms. Jones made a motion to approve the contract with Clever Dogs subject to legal counsel review and to authorize the sub-committee to make changes once the website is developed. David Bedwell seconded. Passed unanimously, 7-0.

B. Finance Committee or Monthly Update:

1. 2020 Audit Complete – The audit is complete as of yesterday. There is an issue with the tax return. Extensions were filed but a notification of a late penalty fee was received so work is being done to rectify that.
2. November and December 2021 Financial Reports – Krista Linke reviewed highlights from December's financials. The commercial façade grant end-of-year balance is \$225,000. The revolving loan fund balance is \$370,000. First Merchants CD interest income is \$3,600 after Circle Drive draws. Operating ended with \$122,000. The RFP and direct investment account is where Ms. Linke put the \$100,000 from RDC which brings that account total to \$111,000. There is an additional \$634,000 in accounts receivable. She highlighted residential and commercial activity. Ms. Jones asked if there will be advertisement for new projects soon. Ms. Linke confirmed she would like to but wishes to have the programming amounts before going public.
3. 2022 Budget – Corporation members received the proposal prior to the meeting. Ms. Linke highlighted some entries and some discussion was held about details. Ms. Gross made a motion to approve the 2022 budget and November and December financials. Ms. Ott seconded. Passed unanimously, 7-0.

C. Loan and Grant Committee or Monthly Update: The committee met last week and two applications were reviewed and put on hold due to pending decisions about program amounts. Costs have gone up significantly on construction projects. Programming amounts were decreased in 2019. The committee is requesting program increases to attract and incentivize the right projects.

1. Program Amounts – CFMG is currently at \$15,000 per 19 linear feet. The request is to return it to \$25,000. If it is on a corner or more than 19 linear feet, it can be double that, so \$30,000 currently or the proposed \$50,000. Ms. Richardson spoke in favor of this increase. Dustin Royer asked if consideration will be given to accepted projects yet to begin due to the rising material costs. Mr. Bedwell responded this was discussed in committee and with board authorization they are willing to revisit with the award recipients.
CRLF – The request was to take it from the existing \$25,000 back to \$50,000.
RRLF – The request was for \$25,000 from the current \$15,000. Formerly it was at \$20,000 before moving down to \$15,000. Mr. Bedwell also identified that there is a 25% eligible grant for a non-owner occupied single-family residence. They would like to move this up to a 50% grant to incentivize the property owners to do residential renovations and remodels. Ms. Jones expressed support for all changes.

Ms. Jones made a motion for approval. Mr. Royer seconded. Passed unanimously, 7-0. Rob Schafstall asked how that will be documented. Ms. Linke will make application updates and post on the website. She also anticipated working through the Awareness Committee with a press release and she will directly contact approved individuals from last year.

Mr. Bedwell announced they are looking for another member for the Loan and Grant Committee. Recommendations to Ms. Kasting or Mr. Bedwell are encouraged.

2. Strategic Plan Update – Mr. Bedwell mentioned this having been sent out by Ms. Linke, and he had proposed some changes, but it needs to be completed for 2022. Ms. Kasting encouraged all board members to take a look at this document in anticipation of discussion at the board retreat to be scheduled.

D. Development Committee or Monthly Update:

1. 280 Circle Drive – Ms. Minton reviewed the completion of this project and the buyer. Mr. Royer reported that the house sold for \$190,000. The appraisal came in a little low and \$187,000 was settled on. The net was \$177,400 minus what was in the project, leaving \$66,300.
2. 650 Hurricane Street – Property was purchased over a year ago. Marissa Stout reviewed specifics of her construction recommendations that were part of her estimate submitted to Ms. Linke and sent out to the board prior to the meeting. Her total design plan is for approximately 1252 square feet. The approximation is \$171/square foot without the garage or approximately \$218,000. With the garage, it would be approximately \$246,000. From the ground up she estimated at \$238/square foot, so she believes there is a significant savings to salvaging the structure. Mr. Royer believes best case scenario is to break even. Maybe even using some of the Circle Drive profits. Ms. Stout anticipates it to be a five-month project maximum. Ms. Linke offered Habitat for Humanity's interest in purchasing the lot. Ms. Linke reminded that this is not in the TIF so interest income and operating funds will have to be used. Ms. Jones was in favor of moving forward with the project. Ms. Gross asked if there was any merit to partnering with Habitat. Ms. Linke said there was potential and conversation worth having. Mr. Bedwell is struggling with this proposal. Rob Shilts spoke to the history of the house and neighborhood. He is not convinced that it is a Habitat house but an RDC project to brighten up and influence the rest of the neighborhood. Ms. Ott asked what the annual cost would be to hold the property for a time without a build. There would be taxes and insurance. Ms. Richardson originally did not like the property and was not completely for the purpose of it. But she sees FDC to be for community betterment and not always to make money. Mr. Royer believes RDC will still end up ahead as \$66,000 was made on Circle Drive and will not be lost on Hurricane. Mayor Steve Barnett spoke in support of the project as an investment. He posed the scenario of returning money to the RDC to have them re-appropriate funds for this project. Ms. Kasting is open to a Habitat partnership with the design being handled by FDC. Mr. Royer advised breaking ground quite early in the year with completion in the fall.
3. 351 E. Jefferson Street Proposal – Stout Investments – The upstairs is unfinished. Ms. Stout presented the details of her construction overview for this project as a sound studio. The total estimate is \$145,929. Ms. Stout explained maybe one-third of the estimate was due to extras required by client use. Mr. Royer identified the project at full cost to be a five-year break even

with that being an excellent return as an investment. The building is in the TIF. Mr. Schafstall's advice was to involve the RDC again for funding. Ms. Jones asked if the tenant will pay for the tenant specific improvements. Ms. Linke said specific numbers and lease agreement have not been discussed as of yet. The current tenants are month to month with a 90-day notice stipulation either direction. They desire to be there at least one more year. Jerry Navarro reviewed his current activities and future plans and his ability to contribute to the cost of the build out. Ms. Linke will coordinate meetings with Mr. Navarro and RDC request.

4. 550 E. Jefferson Street (Alva Neal High School) – Ms. Minton, Mr. Bedwell and Mr. Schafstall attended Johnson County Soil and Water's board meeting last week and presented to them FDC programs available. They asked if FDC would be interested in purchasing. It is an historic building in the floodway. It is not a good option for an investor. Ms. Minton would like to ask them for their profit and loss statement and rent rolls. Ms. Linke sees this as a revenue source.

Director's Report

Ms. Gross's at-large yearly term expired the end of January. Ms. Richardson made a motion to reappoint Ms. Gross for another year. Ms. Jones seconded. Passed unanimously, 7-0.

2022 City Projects Update (Mayor Barnett)

2022 Redevelopment Commission Cash Flow Analysis Worksheet (Krista Linke) – Mayor Barnett sent a spreadsheet to the corporation members. Ms. Minton noted nothing was listed for FDC. Ms. Linke reported tax disbursements to be about \$300,000 less than anticipated in December 2021.

Public Comment

Rosie Chambers announced the State of the City address planned for March 10. FDC is to receive the Chamber of Commerce Community Impact award this year.


February 17 at 8:00 a.m. is the next FDC meeting. Ms. Linke will e-mail potential dates for an FDC half day retreat.

Adjournment

No further business came before the Directors. The meeting was adjourned.

Approved this 17th day of February 2022:

By: 
Kim Kasting, President

Attest: 
Amy Richardson, Secretary