



**MINUTES**

**March 23, 2017**

Board Meeting

City Hall – Council Chambers

**Members Present:**

Jeff Mercer..... President  
Kim Minton..... Secretary  
Steve Woods..... Vice-President  
David Bedwell..... Member  
Lisa Jones.....Member

**Others Present:**

Robert Schafstall..... Legal Counsel  
Rhoni Oliver..... Community Development Specialist  
Julie Spate..... Recording Secretary

**Call to Order:**

Jeff Mercer called the meeting to order at 8:00 a.m.

**Public Comment:**

None.

**Approval of Minutes:**

Steve Woods made a motion to approve the February 23, 2017 minutes as presented. David Bedwell seconded the motion. The motion carried.

**Committee Reports:**

**A. Communication Committee or Monthly Update:**

1. Wednesday, April 12<sup>th</sup> – Hoosier Brewhouse: 11:30am – Mr. Woods reported the tentative scheduling of a luncheon at Hoosier Brewhouse from 11:30am-1pm to introduce the new mayor and have the Franklin College president in attendance and celebrate the FDC “win” of Hoosier Brewhouse. An e-mail will be sent out and phone calls made to local leaders. Mr. Bedwell mentioned a Greenwood or Franklin chamber luncheon possibly scheduled for that day. Rhoni Oliver added that LJC program day is that day which involves the mayor. Mr. Woods will review the dates again and get back to the board.

**B. Finance Committee or Monthly Update:**

1. Economic Development Agreement with the Redevelopment Commission for 55 W. Madison Street Project – Rob Schafstall reported that FDC is being asked to administer a \$300,000 grant from the RDC that will go toward the build out of old city hall, turning it into a farm to table restaurant. The RDC has approved the agreement along with developers John and Lesa Talley. Mr. Schafstall further explained the structure of the agreement. The RDC would grant FDC \$300,000. RDC would put that in to an escrow account at Mutual Savings Bank. The developers would also put \$300,000 into the same

escrow account. The money would come out dollar for dollar for the build out. The city has sold the property for \$1.00. The city's interest in that equity is transferring along with the \$300,000 that will be secured by an escrow and control agreement along with a mortgage the developer gives back to the city in the event that the deal does not reach completion. Completion date is projected to be March 31, 2019. If the agreement is approved, the developer will have a due diligence period where they can take a hard look at the build out requirements and if still satisfied that they want to continue, money flow will begin. There is a review committee of FDC president, the mayor and the RDC president or their designees. Financial requests made will be approved by that body before releasing the funds. The motion was made to ratify the agreement by Mr. Bedwell. Second by Kim Minton. Passed.

2. Mr. Schafstall continued regarding the proposal by another developer for a hotel at the I-65 interchange, northwest of the McDonald's in that 11-acre site. This came before the RDC last month and was not approved. Since then the developer has made changes to his proposal, and it is going back before the RDC Tuesday morning, April 11 at 9:00am. The FDC will be asked to serve in the same role for this project, administering \$560,000 in an escrow account to be spent for the vertical construction of the hotel. Mr. Schafstall further explained his views on why it is appropriate for FDC to be asked to serve in this way. One is the additional entity to RDC for review and monitoring of the project. It also is part of the statutory provision that allows the RDC to make loans or grants to a neighborhood development corporation for construction or rehab of commercial properties, thus helping the RDC expend its TIF money in a statutorily correct way. Ms. Jones asked how it's determined when RDC asks for FDC's administrative involvement. Mr. Schafstall explained that when it involves building rehab or construction, it makes sense for the RDC to involve the FDC. If it's public infrastructure such as a road, the RDC solely can administer. Mr. Bedwell asked what the timeline would be. Mr. Schafstall expressed time to review ahead of time and formally consider at the next FDC meeting. Ms. Jones spoke in support of the opportunity to attend RDC meetings to be more aware of the project. Mr. Woods asked if it would come out of the bond and Mr. Schafstall confirmed. Mr. Mercer reported that the apartment complex originally proposed will not happen and affirmed his support of attendance at the RDC meeting.

**C. Loan and Grant Committee or Monthly Update:**

1. Frechette Façade Project Update – 89 E. Jefferson Street – Mr. Bedwell reported Neil Dixon's presentation of architectural plans at the last RDC meeting and his request for additional funds for additional drawings to be made so the quoting process can begin. His current drawings have been also given to Linda Frechette. Ms. Frechette's concern is the impact to her business. The story and a half design is not as disruptive as the full two-story design would be. It could be an option for Ms. Frechette to relocate to a different location for the three to four months of construction to continue to operate her business, but she cannot shut down entirely for that time.

**D. Development Committee or Monthly Update:**

1. Tax Certificate Properties Update – Ms. Minton reported that Mr. Schafstall has petitioned the court for all six properties, so the waiting period continues.
2. Co-working Committee – Ms. Jones updated Mr. Schafstall's filing of their business entity name and having secured their EIN number. The committee continues to work on the budget and location research. They plan to also visit The Matchbox in Lafayette and a couple of other locations. If any members are interested in making those visits, let Ms. Jones know. Mr. Bedwell asked if rent would be paid for a co-working space, and Ms. Jones said that is not known at this time.

3. Blighted Property Improvement Program – Ms. Oliver introduced this program and the scheduled meeting with Indiana Housing and Community Development Authority next week in an effort to find some grant funds. The goal is to find a way to be able to work on houses in significantly poor repair specifically on the thoroughfare and not necessarily tied to income. This would be just for home repairs. Ms. Minton added that most development corporations around the state have similar programs. The mayor is also supportive. Ms. Jones is supportive if the income restrictions were not necessary. The terms of the grant would determine if it went through RDC to FDC or directly to FDC. Ms. Oliver explained the authority’s desire to see the grant monies be given to a neighborhood development corporation. The city would apply but they want the neighborhood development corporation to administer.

**E. Capacity Committee or Monthly Update:**

None.

**February 2017 Financial Report:**

Ms. Oliver reported that \$500,000 from RDC is not reflected yet. Krista Linke is invoicing them for those funds. There are no new loans and grants. Two new residential applicants are working on getting their documentation.

**Director Report:**

Ms. Oliver identified a third tenant moving in to 351 E. Jefferson but the rent will go up only minimally since they are sharing the space and Ms. Oliver is researching internet upgrades for them, the costs for which they will offset. Mr. Schafstall asked about additional signatures on the lease. Ms. Oliver thinks it is additional CrossRoad people, so sub-leasing from another tenant already in the building which they can do with FDC consent. Mr. Bedwell asked if anyone is upstairs and Ms. Oliver said not at this time.

Ms. Minton added that the community foundation wants to do a mural on the side of building at 351 E. Jefferson Street. The owner of the property is asked to maintain the mural for five years. Mr. Mercer clarified that the mural will actually be painted on a flexsteel and attached to the building except for a small portion that would go on the building itself. Mr. Bedwell asked about the opportunity to review the rendering. Ms. Minton identified April 3<sup>rd</sup> as the call to artists giving them until May 5<sup>th</sup> to submit designs and May 11<sup>th</sup> the selection committee would choose the design. Ms. Oliver assured that no one will be by the railroad tracks during the painting process. Ms. Jones made a motion to approve the mural project subject to Mr. Schafstall’s review of the contract. Seconded by Mr. Bedwell. Passed.

**Additional Items:**

- Next Regular Board Meeting – April 27<sup>th</sup>, 2017 at 8:00 a.m.

**Adjourn:**

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

**Approved this 27th day of April, 2017:**

By: \_\_\_\_\_

Jeffrey Mercer, President

Attest: \_\_\_\_\_

Kim Minton, Secretary