

Franklin Development Corporation

MINUTES

March 27, 2014

Board Meeting

City Hall – Council Chambers

Members Present:

John Ditmars.....President
John Wales..... Secretary
Lisa Fears..... Member
Lisa Jones..... Member
Jeff Mercer..... Member

Members Absent:

Steve Woods..... Vice-President
Angela Coy..... Treasurer

Others Present:

Krista Linke.....Community Development Director
Jaime Shilts..... Recording Secretary

Call to Order:

John Ditmars called the meeting to order at 8:00 a.m.

Approval of Minutes:

John Wales stated that the Call to Order should have been John Ditmars, not Steve Woods. John Wales made a motion to approve the February 27, 2014 minutes with the correction. Jeff Mercer seconded the motion. The motion carried.

ArtsGarden Project Update: Richard Goss and Meg Jones:

Meg Jones stated that one of the issues is maintaining the property as the Parks Department doesn't have time right now. She is taking care of it until they are able to. She stated that the Parks Board stated that they will take the property but she doesn't know if they want it. She stated it may be easier to keep it at this point. It will be completed by the June deadline.

Chip Orner, Director of Franklin Parks, stated he agrees with what Ms. Jones said. He stated that the previous FDC Board approved the project last June with the stipulation that the land be given to the Park Board by June, 2014. He stated that he was not at the meeting and was unaware of the stipulation when it was approved. It went before the Park Board in August and the Board was concerned with the cost and long term maintenance of the area. He stated the Park Board wondered why they were presented with the extra costs and not the FDC. They will support Ms. Jones with the project and let her keep it. Lisa Fears questioned if there was an issue with Ms. Jones keeping the garden. Ms. Jones stated there is not an issue with her keeping it and maintaining it. Mr. Ditmars stated the reason for the FDC wanting the Parks Board to take care of the land was sustainability. Ms. Jones stated they could keep the property until they are ready to sell it or if they die and then it could go to Parks. Mr. Orner stated he is fine with that. Ms. Fears questioned if the Park Board could review it again in a few years. Mr. Orner stated they could and would also be willing to advertise the ArtsGarden through the Parks Department. Ms. Jones stated they may look at putting in additional lights in the future. Mr. Ditmars

suggested that there be an extension of time as the deadline for the land to go to Parks is June 30th, 2014. Joanna Myers, Senior Planner, stated that the DNR has reviewed the parking lot expansion and the clearing to the east, but they haven't reviewed any of the additional improvements, the labyrinth or the garden. She stated any of the hardscaping or additional fencing needs to be approved first because the area is in the flood way. The parking lot has received approval only. Mr. Ditmars suggested a 90 day extension.

Lisa Fears made a motion to provide a 90 day extension on the project. Jeff Mercer seconded the motion. The motion carried.

Request of Proposals-Time Extensions:

Ms. Linke stated all of the projects have a June 30, 2014 deadline. She stated they would like all of the extensions to go until the end of this year. Mr. Ditmars stated he would like everything documented on each project. Ms. Fears suggested that by the May 2014 FDC meeting that a formal presentation is made by all the groups. The Board agreed.

- a. Jefferson Street Pub-Ms. Linke stated they have undergone dramatic changes in scope and design and will need an extension. They have not yet started work on the project.
- b. Dan Paris-Ms. Linke stated there have been 2 draws on the project but there is still a considerable amount of work to finish. A lot of the work has been delayed due to the weather.
- c. Fred Paris-Mr. Paris stated his project is remodeling the old dry cleaning building. He stated there are environmental issues and is trying to get it figured out by May. He stated he has made an offer on the Hydro building as well. He stated the 3 buildings together, including CJ's, will look more like one building on the façade. His goal is to open the facility next spring. Mr. Wales stated that he'd like to see a formal presentation but they will still honor what was committed previously.
- d. Franklin Heritage-Rob Shilts, Franklin Heritage, stated the previous board had requested projects and he submitted a list of their projects worth \$1.5 million to finish the restoration of the theatre. He stated he is working with Mr. Schafstall to find out what will count toward the match that the FDC originally offered. He stated it is not a one-to-one match, but \$50k matched for each \$100k raised.

Committee Reports:

A. Communication Committee: John Wales:

Mr. Wales stated they are collecting surveys right now. He stated they are looking at changing the logo. They are working on a new website and a new website domain name and are looking at "DevelopFranklin.org". They are also looking at a new host as the cost is \$43 per month with TLS. When they get a new host it will cause the website to go offline temporarily for 2-3 weeks while the update and the new site are completed.

John Wales made a motion to cancel the contract with TLS and move to another hosting site. Jeff Mercer seconded the motion. The motion carried.

John Wales made a motion to change the name of the website to www.developfranklin.org. Lisa Fears seconded the motion. The motion carried.

Mr. Wales stated the FDC is back on Facebook. They created a new site as the password for the old site has been lost. He stated the new Facebook site is now active and being used and viewed.

B. Finance Committee: Jeff Mercer:

Mr. Mercer stated they have begun the conversations of ways to have income coming in. They are in a holding pattern right now as they wait to see what the public and other boards would like to see and what direction they'd like the FDC to take. Ms. Linke stated she would like to separate the programming funds from the operating expenses. She should have that completed for the Board by the May meeting.

C. Programming Committee: Lisa Fears:

Ms. Fears stated she will continue through April checking with the public on what they would like the FDC to continue to do now and in the future. She has already heard that the FDC should be focusing on the distressed properties in the downtown corridor. Rhoni Oliver will be putting together a map of where the properties are located. Ms. Fears stated that the façade grants are also popular. She has heard that micro grants or loans for start up businesses would be nice to have. The two public forums will be held in the Arts Café on April 9th at 3:00 p.m. and April 10th at 6:00 p.m. She hopes to have a report by the April meeting with the results.

D. Loan and Grant Committee: Lisa Jones and Steve Woods:

- a. **Loan Policies:** Ms. Jones stated she needs approval of the loan and grant policies. The policies are for making credit decisions and awarding grants. They also determine who has the authority to approve what. The policy will be reviewed on at least an annual basis.

Lisa Jones made a motion to approve the loan and grant policy. John Wales seconded the motion. The motion carried.

- b. **Loan to Value Ratio: Maximum 95%:** Ms. Linke stated they found that the loan to value ratio was a problem. They are finding that several of the loans issued in the past couple of years were over that percentage. She stated that if they are not using the criteria, it should be eliminated. Mr. Ditmars stated a more relevant condition would be how much cash they want an applicant to bring to the table. There needs to be more of a partnership feel to it. Ms. Linke stated 10% sounds reasonable. Ms. Jones stated 10% a good place to start.

John Ditmars made a motion to eliminate the loan to value ratio. Lisa Fears seconded the motion. The motion carried.

- c. **DFMG 120: 100 S. Jackson Street-Tracy Enochs-Reeves:** Ms. Jones stated they have found out they have to build a handicap ramp. They are requesting and increase in their loan in the amount of \$4,380.00 for a grand total of \$37,263.95.

Lisa Jones made a motion to give them an additional loan amount of \$4,380.00. Lisa Fears seconded the motion. The motion carried.

- d. **DFMG 2014-05:** 198 E. Jefferson Street-CMG Family Wellness: Ms. Jones stated they are looking to replace windows and doors, and complete some tuck pointing. The loan amount requested is \$16, 544.36. They may come back and request more funding for landscaping. Ms. Linke requested that the Board approve an additional \$2,000 for landscaping so it does not have to come back to the board.

Lisa Jones made a motion to approve a grant for 198 E. Jefferson Street not to exceed the amount of \$18,544.36. Lisa Fears seconded the motion. The motion carried.

February Financial Reports:

1. Balance Sheet-Ms. Linke stated the programming and operating amounts haven't been separated out yet.
2. Budget vs. Actual-Ms. Linke went over the different payments for the month.
3. Residential Revolving Loan Fund (RRLF)-Ms. Linke stated the report shows the amounts remaining and what's been drawn.
4. Commercial Revolving Loan Fund (CRLF)-Ms. Linke highlighted the loans that are not current. She stated it appears on the report there were a few missed payments but they were actually double payments made in the month prior.
5. Downtown Façade Matching Grant (DFMG)-Ms. Linke stated there were two more projects that would appear on the March report.
6. Requests for Proposals (RFP) and Direct Investments (DI)-Ms. Linke stated that Gray Goat is still underway and they expect to be finished by the end of June. Marshmallow Monkey will be complete as well. Ms. Linke stated she would like to reallocate the funds once more funding is received.

97 E. Monroe Street-Requests for Proposals:

Mr. Ditmars stated they have had a number of developers and individuals interested in taking the project on. Ms. Linke stated she thinks that the RFP should include: a detailed budget, soft costs, a timeline, source of funds, contractors and architects, and a floor plan. Proposals will be due around April 24th, 2014. A special FDC meeting will be held the following week to review them.

Director Report: Krista Linke:

Ms. Linke stated that the Board of Works approved a contract of \$50,000 for the FDC for the operating expenses for the year. She stated the Chamber of Commerce was given a \$50,000 grant but she cannot find any deadline on it. She would like for the Chamber to report to the FDC in several months on the status of the project.

Additional Items:

None.

Adjourn:

No further business came before the Directors.

Next regular Board Meeting-Thursday, April 24th, 2014 at 8:00am.

Approved:

By: _____

John Ditmars, President

Attest: _____

John Wales, Secretary