

MINUTES

June 28, 2018

Board Meeting

City Hall – Council Chambers

Members Present

Jeff Mercer.....President
Steve Woods.....Vice President
Kim Minton..... Secretary
Mike Denney.....Member
Amy Richardson..... Member

Others Present:

Krista Linke..... Director of Community Development
Jim Admire..... Legal Counsel
Julie Spate..... Recording Secretary

Call to Order:

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

Approval of Minutes:

Steve Woods made a motion to approve the May 24th, 2018 minutes as presented. Kim Minton seconded the motion. The motion carried.

Public Comment:

Committee Reports:

A. Communication Committee or Monthly Update:

Amy Richardson reminded that meetings have been tabled due to the FDC financial situation. Rhoni Oliver has put the annual report and an updated contractor list on the website. There are three new contractors.

B. Finance Committee or Monthly Update:

Mr. Mercer reported that the committee met a couple of weeks ago. Conversations were held about budget going forward. Krista Linke added that the audit is being finished up. There were some questions about the tax certificate properties and how to reflect them accurately on the books. Ms. Linke will get a draft to the board soon. They will begin work on the 990 return.

C. Loan and Grant Committee or Monthly Update:

1. CFMG 2018-06: TUNKS – 140 E. Jefferson Street (\$9,087.50) – This is the current Ouch Tattoo Gallery location. Painting the brick is not eligible through the grant program, but they will do new door and windows, lighting and signage.
2. CFMG 2018-07: HALIK – 948 N. Main Street (\$9,347.59) – This is across the street on the roundabout from Linda Frechette’s building. They propose a front porch addition, new windows and doors and some foundation work.

3. RRLF 2018-03: HUBLER – 400 W. Jefferson Street (\$20,000) – This is one of the three new contractors. It is an exterior improvement on a residential property and they plan to add a much more substantial porch than is there currently. Upon completed application, their documents will be sent out to the committee.
4. Frechette Project – 89 E. Jefferson Street – Still awaiting bids. David Bedwell has approached an additional contractor since nothing has yet been received from the last contractor.
5. Pending Applications: 396 E. Jefferson Street – Jo Jurgensen with Thanks for the Thyme is waiting on contractor estimates. Site visit has been completed.

Mr. Mercer asked for an update on remaining dollars available. Assuming Hubler is approved for the full \$20,000 and all other projects except 396 E. Jefferson Street use the maximum amount, current programming funds remaining would be \$12,776. There is some clean up to be done on past lengthy projects including some that have gone beyond their nine months which could result in another \$10-20,000 in available programming funds. Mr. Mercer suggested communication to the public of funds being gone is important so applicants don't do extensive application work to no avail.

D. Development Committee or Monthly Update:

1. 2017 Tax Certificate Properties Update: Kim Minton identified that these are still in quiet title. Jim Admire was asked 30 days ago by Rob Schafstall to help clean up three properties: 934 Johnson Avenue, 244 Cincinnati Street and 544 W Jefferson. They are all pending before Judge Barton in Johnson County. The order quieting title has been completed on 544 W. Jefferson Street. The property on Johnson Avenue is very close. Mr. Admire found the owner in Kentucky and received assistance through speaking with his sister. Confirmation through the postal service has been received that the owner has been served. Mr. Admire has 23 days from approximately June 23 to file papers with the court asking for this to be completed, and he expects that to occur without any problem. With regards to Cincinnati Street, Mr. Admire has found several Janie Macklins in Shelbyville and believes he has the correct one served by publication in Shelby County. He does not know if she is deceased or not. This process is almost the same timeframe as the Johnson Avenue property. One of the defendants, Mr. Bird, is deceased which leaves some heirs. Mr. Admire further added that Jeffrey Shaw had a couple of eight- or nine-year-old judgments against him reflected on the property. They are court costs so they are not accruing interest. They are \$164 each. Mr. Admire recommended the lien just be paid.

Ms. Minton continued her report with 551 W. Madison Street which has a new roof on the building. 348 Kentucky Street also has a new roof, and they are working on the inside with plans to move in by the fall. And clean out work has begun on the Jefferson Street property.

2. 2018 Tax Certificate Property Update: Ms. Minton reported that 847 E. Jefferson Street was redeemed. The certificate for 420 W. Jefferson Street has been petitioned for. They have met with Mr. Hessman and Jeff Sewell from the school system to discuss a potential partnership. They are interested. They walked around the property. Being out of funds, FDC would have to fund the construction remodel and recoup when sold. Ms. Minton suggested this as a topic for the board retreat. The expectation would be to begin work in September or October and work through the school year. Without estimates it is unknown how much it would take to refurbish

the property, but Mr. Hessman is willing to work on estimates even before an approved partnership.

Intern Presentation – Tara Ricke

Tara Ricke, senior at Franklin College, reviewed her work for DDF and FDC as an intern this summer. Through FDC, she is working on cleaning up files for Ms. Linke to include project descriptions and before and after pictures. She has also created a spreadsheet of before and after assessed values, the difference and project percentages by group and overall. Some projects were both façade and commercial loan and they then went under façade. One organization may also have multiple projects, but they went under only one. The façade projects have returned the most money back as it is the category with the most projects. The second highest is the residential loan program. The direct investment category is currently in the negative as they are the hardest to find assessed values for so not all the numbers are completed. Many Beacon records go back only as far as 2014 so the assessed value could possibly be a little greater if Beacon allowed tracking further back. Close to \$2,800,000 in increased assessed value has been realized through all of these projects. Ms. Linke added that the earlier assessed values can be secured through the county. Careful marketing of the before and after pictures will be made available online while still acknowledging funds are not available at this time.

May 2018 Financial Report:

Ms. Linke highlighted the two escrow accounts. The first is 55 W. Madison Street, which is nearing completion, and the second is the JART property which is completely expended. They are not really FDC accounts anymore as they are pass throughs. She needs to confer with Angela Coy as to how best to accurately reflect them on financial reports. The operating fund is at \$93,586. There was \$18,000 remaining from the Overton project which has been returned to the RDC. A check has also been issued back to the Redevelopment Commission for \$150,000 from the overage on the McDonald's truck stop parking lot project.

Ms. Linke attended a function at the co-working space yesterday on the second floor. The first and third floors still are being worked on, and a lot of work has been done in the basement. The elevator is not quite functional yet. A grand opening is planned for August. Eight visits a month is \$99 and unlimited access is \$150/month. Other incidentals such as lockers and PO boxes are extra costs. Ms. Linke will schedule a tour for FDC.

Director's Report

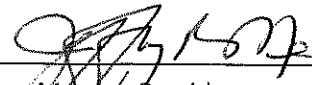
1. Board Retreat – July 26, 2018 – Mr. Mercer explained a plan to have FDC meetings every other month due to lack of funds at this time. This is to begin with replacing July's meeting with the board retreat. Amy Richardson prefers an afternoon time frame. Ms. Linke suggested to be prepared for a four- to five-hour time commitment. The focus will be programming funds and tax properties and maybe some strategic plan work.
2. Economic Development Agreement with the Redevelopment Commission and Board of Works for the Franklin Gateway Development – Ms. Linke introduced this and Mayor Steve Barnett gave an overview of the Hampton Inn project with the Sprague family. The RDC is going to give \$560,000 for an updated road by the Burger King and to help the Sprague's buy the liquor store to tear down and make property available to business. He went on to explain the situation with the Red Carpet Inn property. Ms. Minton made a motion to approve Mr. Mercer to sign documents. Mr. Woods seconded. Passed.

Ms. Oliver asked if FDC would approve Mr. Mercer to sign the 544 W. Jefferson closing documents. Many of the trees have been removed, but there is one large tree the city could not do, so she wanted to be sure she still had approval to get that tree taken down. Mr. Mercer assured the approval remained. The interior is completely cleaned out. Motion to authorize Mr. Mercer to sign closing documents was made by Ms. Richardson and seconded by Ms. Minton. Passed.

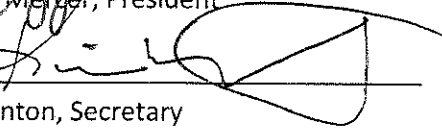
Adjourn:

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

Approved this 23rd day of August, 2018:

By: 

Jeffrey Mercer, President

Attest: 

Kim Minton, Secretary