



MINUTES

August 28, 2014
Board Meeting
City Hall – Council Chambers

Members Present:

John Ditmars.....President
Jeff Mercer..... Secretary
Angela Coy..... Treasurer
Lisa Jones..... Member

Members Absent:

Steve Woods..... Vice-President

Others Present:

Rob Schafstall..... Legal Counsel
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:

Angela Coy made a motion to approve the July 24, 2014 minutes as presented. Jeff Mercer seconded the motion. The motion carried.

Public Comment:

None.

RFP 215: ArtsGarden Update and time extension request to 12/31/14:

Terry Lancer stated the project entails extending the parking lot. They would relocate the current fence and gates further back to the ArtsGarden area. They would have a labyrinth hedge and would have a large art sculpture in the middle of the hedge. The mature trees on the site would be saved. They are proposing to have additional art sculptures and picnic tables and umbrellas. It would be open to the public at all times. He stated it could be used as a destination in Franklin. There would be some permanent artwork and possibly some smaller ones that would rotate from year to year.

Mr. Lancer stated they included some of the art work samples for the Board. The budget has not changed from May of 2014. He stated they included an invoice and a bid proposal from Dewees Construction for the site work. He included a scope of work for the Board and a survey of the property and examples of artwork. They have also included a cost breakdown of all the plant materials. He stated they did receive final approval from the city of Franklin. They did receive the final letter of approval from the DNR regarding the floodplain. A permit will not be required from the Army Corp of Engineers.

Mr. Lancer stated that Franklin College students will be helping with the garden. They received their insurance certificate and named the FDC as a certificate holder of liability. The parking lot and garden

would be available for community functions. Ms. Coy questioned who will be coordination special events and maintaining insurance. Mr. Lancer stated the Meg Jones would be coordinating the events and would be maintaining the insurance. Ms. Coy asked if Mr. Lancer had contacted the college as Mr. Weatherspoon that had agreed to help with the project originally was no longer with the college. Mr. Lancer stated he was unaware of that and would follow up with the school. He stated they would like to move forward with the project as fall is coming and will be the planting season again. The plants they are choosing are low maintenance plants that will require less watering and trimming. Ms. Jones stated she and Steve Woods have worked very closely with Mr. Lancer and Ms. Jones in obtaining the proper documents.

Lisa Jones made a motion to move forward with the project. Angela Coy seconded the motion. The motion carried.

Committee Reports:

- A. **Communication Committee:** Steve Woods (Next Meeting: September 3rd @ 4:00pm)
1. New website: franklindevelopmentcorporation.org- Krista Linke stated a new website name is being considered as it would be easier to remember.
 2. Website redesign- Ms. Linke stated several proposals were taken in for the new website. She stated one of the website representatives will attend the next Communication Meeting. The cost will be around \$1,600. It is for the complete redesign of the website.
- B. **Finance Committee:** Jeff Mercer and Angela Coy
1. 2015 Budget- Ms. Coy stated the budget was given to the board at the last meeting. It needs to be approved. She stated they did receive \$7,500 from the EDC which will go toward operating expenses next year.
Jeff Mercer made a motion to approve the budget as presented. Angela Coy seconded the motion. The motion carried.
 2. 2013 Tax Return- The tax return has been extended to November 15, 2014.
 3. Entity Annual Report-State Board of Accounts-Ms. Coy is looking into it.
- C. **Loan and Grant Committee:** Lisa Jones and Steve Woods (Next Meeting: September 17th @ 3:00 pm) –
1. Tax Sale/Commissioner's Sale Properties- Ms. Linke stated that she, Lisa Jones, Rhoni Oliver, and Steve Woods attended an Abandoned Properties workshop and learned about the tax sale process. Rhoni Oliver, Community Development, stated that she has talked to County Commissioner Ron West about the Commissioner's sale properties. He would like a list of the properties they are interested in getting. She stated she would like to move ahead with the Board's permission on 4-6 properties. The Commissioners can waive the tax fees. She stated there will be some cost involved as some mortgages will need to be waived. The FDC would not own the properties, but would manage them for about 6 months until new owners are found. She stated the purpose is to get the properties back on the tax rolls. It may involve donating houses to Habitat for Humanity or having a contractor purchase a house at a lower amount. Mr. Ditmars stated that she could keep looking into the process. Ms. Oliver stated she would like to work with Lisa Jones and Steve Woods to pick a couple of specific properties and proceed.
 2. Horizon Loan Servicing Agreement- Ms. Linke stated that she and Mr. Ditmars had met with Steve Bechman about the loan servicing. She stated the process had not been formalized

and they now have something in writing and an agreement with Horizon Bank. Mr. Schafstall stated that he is okay with the agreement but there are several things to be aware of: 1. The proper venue is going to be in LaPorte County. 2. The Board is agreeing to indemnify Horizon in the event they incur any losses. 3. Their liability doesn't kick in unless they exceed gross negligence. 4. Any liability they have would be capped with the fees that the FDC pays them. Ms. Linke stated she feels it's a fair monthly fee that they pay them as it is \$5.00 per loan per month. It's an open ended agreement.

Lisa Jones made a motion to continue the agreement with Horizon Bank. Jeff Mercer seconded the motion. The motion carried.

97 E. Monroe Street Discussion:

Ms. Linke stated she's had several interested parties contact her. She said there hasn't been a decision made yet. She stated she doesn't see them moving forward with the proposal from Envoy forward that they should look for other projects. Mr. Ditmars stated that logically it may make sense to work with the owners and come up with a plan.

July Financial Report:

- a. **Balance Sheet:** Ms. Linke went over the balance sheet.
- b. **Budget vs. Actual:** Ms. Linke went over the report.
- c. **Residential Revolving Loan Fund (RRLF):** There have not been any missed payments in July.
- d. **Commercial Revolving Loan Fund (CRLF):** The Jefferson Street Pub and T-Shirt Express projects are moving along and activity will be seen on that. She stated there was one loan that was 3 months behind but it has been caught up and they paid the late fees.
- e. **Downtown Façade Matching Grant (DFMG):** The Schafstall project, T-Shirt Express, and Ann's Restaurant are still being completed.
- f. **Requests for Proposals (RFP) and Direct Investments (DI):** There have been some disbursements for Gray Goat, Franklin Heritage, Paris Garage, and the Chamber of Commerce.

Director Report: Krista Linke:

Ms. Linke stated she will need to transfer some money from savings to checking as most of the money is in direct investments. She stated there is a savings account at BMO that has \$700,000 that can be used. There is less than \$15,000 in the checking account. The money needs to be transferred to continue the RFP funds.

She stated she's requested the billing sheets from Larry Nun and hasn't heard much on it as of yet.

Ms. Linke stated she's still working on the 97 E Monroe Street project. She stated the original commitment was a \$500,000 loan, at the completion of the project there was a \$275,000 grant. \$218,530.71 has been spent on the Indreno project. The carrying costs have been \$13,000 so far this year. It leaves \$543,000 still committed for the project.

Additional Items:

- At-Large Director Vacancy- Mr. Ditmars stated they need to add another member and make it a priority. Discussion was held on adding a new member. The Board agreed a construction background would be helpful. Ms. Linke will send out the approved contactor list so they avoid any contractors on it when looking for a new member.

- Mayoral Appointment Director Vacancy- Mr. Ditmars will meet with Mayor McGuinness to find out about the vacancy.
- Next Regular Board Meeting-September 25th, 2014 at 8:00 a.m.

Adjourn:

No further business came before the Directors.

Approved:

By: 

John Ditmars, President

Attest: 

Jeff Mercer, Secretary