



MINUTES

September 25, 2014
Board Meeting
City Hall – Council Chambers

Members Present:

John Ditmars.....President
Steve Woods..... Vice-President
Jeff Mercer..... Secretary
Angela Coy..... Treasurer
Lisa Jones..... Member

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:

Jeff Mercer made a motion to approve the August 28, 2014 minutes as presented. Steve Woods seconded the motion. John Ditmars abstained. The motion carried.

Public Comment:

None.

Committee Reports:

- A. **Communication Committee:** Steve Woods (Next Meeting: October 1st @ 4:00pm) Mr. Woods stated they have voted on a developer for the website. They have made a down payment. They will be able to maintain the new website. It should be live in November. Ms. Linke stated until that time the old website buildfranklin.com is still functioning. The new website address will be FranklinDevelopmentCorporation.org.
- B. **Finance Committee:** Angela Coy stated she filed the business entity report with the State and are in good standing.
- C. **Loan and Grant Committee:** Lisa Jones and Steve Woods (Next Meeting: October 15th @ 3:00 pm) – Lisa Jones stated there were no new loans to discuss but Krista Linke did give them a list of interested parties. Ms. Linke continues to get applications from home and business owners. Ms. Jones stated that it should be discussed at their Board Retreat. The Board agreed.

97 E. Monroe Street Discussion:

Mr. Ditmars stated they met with the owners, Bob Ellett and Gordon Brown, and arrived at a conceptual arrangement of the FDC buying the property from them. \$195,000 was the tentative purchase price arrived upon. Mr. Woods stated if they buy it, the intention is to sell it quickly. He stated they do have a couple of viable end users. He stated they will probably be tied to the property through grants or a revolving loan even if it is sold. He would like to see it repurposed sooner rather than later. Mr. Mercer

questioned the levels of risk in purchasing it. Mr. Ditmars stated it allows them to expedite a remedy to a problem. Mr. Mercer stated that if the project had gone as originally planned, they would have spent the same amount of dollars anyway. The ultimate goal is to return the property to the tax rolls.

Jeff Mercer made a motion to allow Rob Schafstall to draft a purchase agreement between the FDC and the owners. Lisa Jones seconded the motion. The motion carried.

Mr. Ditmars stated that there was still a potential partnership with Envoy. The partnership needs to be formally terminated.

Steve Woods made a motion was made to terminate the potential partnership with Envoy. Lisa Jones seconded the motion. The motion carried.

Tax Sale Properties Discussion:

Rhoni Oliver, Community Development, stated she wanted to bring a recommendation to the Board. She stated she would like to get some of the abandoned and dilapidated properties back on the tax rolls. This would happen in collaboration with the City, County and FDC. There are four properties available that she would like to purchase at tax sale. She stated her recommendations are based on conversations she's had with Code Compliance, Planning and Zoning, and contractors. She stated that she and Ms. Linke are meeting with Kathleen Hash tomorrow to find out more details about purchasing the properties and getting the titles cleared. She stated the FDC should do this as these are properties that are sitting there draining City resources that could be on the tax role. Ms. Jones stated this is a way for the FDC to possibly earn income by turning the housing over quickly. Mr. Mercer questioned how long 544 W. Jefferson Street has remained vacant. Ms. Oliver stated at least 6 year, Rob Shilts, FHI, stated it's probably been more like 15 years. Ms. Oliver stated it would cost \$15-17k to demolish it and the City would probably never collect on it due to the \$66,000 in back taxes on it, plus the cost of demolition. The City would essentially mow it forever.

Mr. Schafstall stated that he will be able to proceed with the flooded properties that were bought at tax sale soon. October 4th will be the one year anniversary of the tax sale. He stated he will be able to file the lawsuits to end up with the deed for the properties. The properties will be turned over to the City and the FDC will be reimbursed for 90% of the cost.

August Financial Report:

- a. **Balance Sheet:** Ms. Linke went over the balance sheet. She did make a change of some of the revolving loan funds. Money was transferred from the savings account at BMO to the account at Mutual.
- b. **Budget vs. Actual:** Ms. Linke went over the report which went thru August.
- c. **Residential Revolving Loan Fund (RRLF):** Ms. Linke stated that all the new loans are current. No new draws have been requested.
- d. **Commercial Revolving Loan Fund CRLF):** The Jefferson Street Pub and T-Shirt Express projects are progressing. She does need to close out some of the loans and will work with Mr. Schafstall on them.
- e. **Downtown Façade Matching Grant (DFMG):** The Schafstall project, T-Shirt Express, and Ann's Restaurant are still progressing.
- f. **Requests for Proposals (RFP) and Direct Investments (DI):** There have been some disbursements for Gray Goat, Franklin Heritage, Dan Paris, Richard Goss and Meg Jones, the Chamber of Commerce and the Jefferson Street Pub.

Director Report: Krista Linke:

Ms. Linke stated they need to schedule a Board Retreat as it's been almost a year since the last one was held.

Schedule Board Retreat

Ms. Coy stated they should plan for the whole day. October 8th will be the tentative date. The meeting will be at the Franklin Fire Station at 8am.

Additional Items:

Ms. Linke stated that Jeff Mercer's term expires at the end of the year.

Lisa Jones made a motion to retain Jeff Mercer for another year. Steve Woods seconded the motion. The motion carried.

- At-Large Director Vacancy- Mr. Ditmars stated he'd like to have a list of names in place at the October meeting.
- Mayoral Appointment Director Vacancy- Mr. Ditmars stated they'd like to get his appointment soon.
- Next Regular Board Meeting-October 23rd, 2014 at 8:00 a.m.

The Board will determine the Officers either at the Board Retreat or the October meeting.

Adjourn:

No further business came before the Directors.

Approved:

By: _____

John Ditmars, President

Attest: _____

Jeff Mercer, Secretary