

MINUTES

October 26, 2017
Board Meeting
City Hall – Council Chambers

Members Present:

Jeff Mercer President
Steve Woods..... Vice President
Kim Minton Secretary
Angela Coy..... Treasurer
David Bedwell Member
Mike Denney..... Member
Amy Richardson..... Member

Others Present:

Robert Schafstall Legal Counsel
Krista Linke..... Director of Community Development
Julie Spate Recording Secretary

Call to Order:

Jeff Mercer called the meeting to order at 8:02 a.m.

Approval of Minutes:

Steve Woods made a motion to approve the September 28, 2017 minutes as presented. David Bedwell seconded the motion. The motion carried.

Public Comment:

None.

Committee Reports:

A. Communication Committee or Monthly Update:

Amy Richardson met with Rhoni Oliver on October 17. One result was the establishment of a Communications Awareness Committee. Individuals were identified to contact regarding serving. A couple projected tasks are creating an FDC marketing plan and an annual report.

B. Finance Committee or Monthly Update:

1. 2016 Audit and 2016 Taxes – Angela Coy has the taxes to sign and mail today.
2. 2018 Budget – Ms. Coy intends to schedule a meeting with Krista Linke, Mr. Bedwell and Mr. Mercer before the November FDC meeting.

C. Loan and Grant Committee or Monthly Update:

1. CRLF 2017-05 Franklin Property Group – 53, 55 and 55 ½ E. Court Street (Approved \$50,000)
2. CFMG 2017-14 Franklin Property Group – 53, 55 and 55 ½ E. Court Street (\$47,775.71 Approved)
Mr. Bedwell identified this to be for both the revolving loan fund and the façade matching grant. It was not \$50,000 for the façade grant because there was a prior façade matching grant less

than 12 months ago. Improvements include terrazzo repair, upper window enlargement, installation of first floor façade replacement with three doors, installation of new glass and repair EFIS with texture and color. The storefront is 19 linear feet so it qualified for a larger portion. Mr. Schafstall asked what business this is and Mr. Bedwell and Ms. Linke identified it as The Trophy Shop and Pack and Ship.

3. CFMG 2017-15 Peter and Christy Norton – 462 E. Jefferson Street (Approved \$6,698.91) – This is for stump and landscaping removal, new landscaping and signage installation, repair of front stairs and painting.
4. RRLF 2017-06 Lonnie Listner – 600 E. Jefferson Street (Approved \$16,471.40) – They are going to do new siding, soffit, fascia board, doors, trim, windows, cedar awnings and columns and lighting.
5. CFMG 2017-08 Boujie Biscuit – 50 Hurricane Street (Approved additional \$500: \$8,500) – The handicap ramp had to be removed and landscaping installed which required the additional \$500.
Mr. Mercer asked if the financials reflect these loan and grant approvals and Ms. Linke confirmed they do.
6. Frechette Façade Project Update – 89 E. Jefferson Street – Krista Linke reported receiving two different bids between \$1.2 and \$1.4 million for the full two-story design. It was more than RDC was willing to consider. They originally approved \$200,000 and would be willing for a little more, but not enough. It was also beyond the scope of what Linda Frechette was willing to invest. Neil Dixon has almost completed a one-story design redo and bids could then be secured for that design. Significant money has already been put into the basement, so they are looking at an elevator to enable clients to access the basement which would give them an additional 1,200 square feet. The practice would have to move out during construction, so Ms. Frechette is considering her options. Mr. Bedwell added that the initial drawings for a story and a half done almost two years ago are not possible structurally. Additionally, a current mezzanine level in the back of the building would have to be removed to make it a true one-story building.

D. Development Committee or Monthly Update:

1. Tax Certificate Properties: Scoring and Award – Kim Minton reported the committee having met to review all the proposals. She presented the committee’s recommendations.

934 Johnson Avenue & 244 Cincinnati Street: The committee decided not to score these vacant lots separately because bids were received from both adjacent property owners. These property owners have helped maintain these properties somewhat over a number of years. The committee believed 934 Johnson Avenue should be awarded to Curtis Hendley for \$500 and 244 Cincinnati should be awarded to Lyman Benner for \$1,501.

544 W. Jefferson Street: One responsible, responsive proposal was received for 544 W. Jefferson Street. The committee recommended it be awarded to Jon Conner for \$10,001.

551 W. Madison Street: A number of proposals were received for 551 W. Madison Street. After discussion and scoring of the proposals, the committee believed the it should be awarded to Mike and Carol Dale for \$10,500.

348 Kentucky Street: Two proposals were submitted for 348 Kentucky Street, neither a

responsible nor responsive proposal. The committee asked for additional information from both applicants and received no response, so the committee recommended further discussion regarding the disposal of this property. Ms. Oliver added having received a few additional phone calls from interested parties yet for this property.

Mr. Mercer asked Ms. Oliver to remind everyone the process and scoring that led to these recommendations. She explained the scoring rubric that was developed inasmuch as price was not the only consideration. Also considered were their plans for the property with consideration of better development of the neighborhood, code compliance violations, experience in these types of projects, adherence to architectural guidelines and that all was included in their written proposal. Each committee member individually scored each property and Ms. Oliver averaged scores received and reported final standings. Mr. Schafstall asked with regards to 934 Johnson as an example where the Hendley bid was 25% of the Cox bid, asking how that was decided. Ms. Oliver responded that he is the adjacent property owner and Mr. Cox has code compliance violations. Mr. Schafstall followed up asking if they were scored. Ms. Oliver explained no and that she can score that but additionally any code compliance violations based on the scoring rubric would remove the applicant from further consideration. Mr. Bedwell asked what the intents were of the vacant lot owners. The properties are directly along the railroad tracks. Mr. Hendley's has no yard so the vacant lot will be made part of his property as additional yard space. 244 Cincinnati's owner desires to put in a commercial structure which he has not had room for up until now and it is zoned for this. Mr. Schafstall added that he only has the judge's quiet title order on Kentucky Street. On the others the bidders could receive quit claim deeds if FDC desired. This would mean FDC would be giving the successful bidder whatever interest FDC has but not making any warranties about the quality of FDC ownership. A warranty deed can be given upon receipt of the judge's quiet title order. The properties can be tabled until the orders are received or a quit claim deed could be offered now instead. Ms. Oliver reported that the Dales wish to wait for the quiet title. She is willing to call the others but feels they all prefer to wait as well.

Mr. Bedwell moved for approval of the committee's recommendations pending quiet title orders received. Mike Denney seconded. Passed.

Ms. Oliver added that there are two properties that did not sell at the fall tax sale and she wants to request them on behalf of the city but wants to be sure the Corporation has continued interest in this program. They are both vacant homes located on Jefferson Street. Ms. Oliver has approximately 30 people on her list and all have made it known their desire to stay on the list as they might have interest in additional properties. Mr. Mercer summarized FDC's continued support of these efforts.

Mr. Bedwell asked what will happen next with the unawarded Kentucky Avenue property. Ms. Minton said they will meet again before the next board meeting to determine that process. Ms. Oliver invited the board to give their input. Ms. Linke asked if another RFP process was required. Inasmuch as FDC owns it, Mr. Schafstall explained the ability to do anything with it

that FDC would want. Mr. Schafstall sees it as the type of value that if fixed up would make the biggest difference within its neighborhood. Mr. Mercer expressed thanks for all the work done.

2. Co-working Committee Update:

Mr. Woods reported having a meeting with Greg Leugers and others. Mr. Leugers is proposing that he will contribute personal cash, he will request an FDC commercial loan and he will request the previously earmarked EDC monies. And even with pairing down non-essential construction, Mr. Leugers will be upside down approximately \$38,000. Mr. Woods discussed with him about an RDC cash infusion possibility. Mr. Leugers believes he can have the work done by February. Mr. Mercer asked if Mr. Leugers would plan to come before FDC next month to make his request, and Mr. Woods confirmed that to be the plan. Mr. Bedwell confirmed that his loan request would be \$50,000. A discussion ensued sorting out the numbers of the project. Mr. Mercer clarified that if RDC was not interested in making the grant, Mr. Leugers would back down his construction efforts to lessen the total project cost. Mr. Bedwell asked if a detailed budget would be ready for the next meeting, and Mr. Woods responded affirmatively. Mr. Bedwell reminded that there is no money left to give out. Ms. Coy asked if EDC needs to be revisited since their funds were designated for a non-profit, and it is now a for profit venture. Mr. Schafstall confirmed that upon firm agreement with Mr. Leugers, an update would be issued to EDC and also City Council to secure community support. Mr. Woods will contact EDC. Mr. Schafstall wants a signed written agreement giving FDC the use of the space and rules on how it will operate. He can prepare it for distribution before the November 16th meeting.

September 2017 Financial Report:

Ms. Linke reported a large balance change in the Mutual RFP and DI checking. RDC funds are received for several designated projects. All tax sale reported applications were added. Report format changes were made. The remaining balance for residential programming is \$43,528.60. The commercial loan fund is updated and zero funds are available at this time. The façade matching grant fund is broken down showing overspent by \$10,705.42. \$32,823.18 is the uncommitted total remaining in programming funds. Mr. Mercer asked if FDC needed to do anything with RDC with regards to money allocations in light of zero funds available for commercial and the co-working space pending. Mr. Schafstall advised getting RDC confirmation if designated residential funds are being moved for commercial use. Ms. Linke gave further details on the reports and location of designated monies. The final invoice for the Pipestone property project has been received so that is complete and loan repayments can begin.

October Board Retreat Recap:

Ms. Linke reported on the October 3rd meeting. Projects, programming, finances and future programming were planned for and reviewed. Time was spent on updating the strategic plan, and Ms. Linke has begun some of those revisions. Mayor Steve Barnett and RDC President Bob Heuchan visited for input. Monies earned from sale of property recoveries could maybe be put into a separate account from the TIF accounts so money could be spent outside the TIF areas. Mr. Mercer expressed appreciation for Ms. Minton and Ms. Oliver's work on the strategic plan.

Director's Report

a. Escrow and Control Agreement with Madison Street Renovation – Ms. Linke reported funds have been deposited in the Mutual escrow account. The property was closed on last week and Talley's have contributed their funds. Mr. Bedwell asked what the timeline is for the project. Mike Waugh is secured as their contractor and construction has begun with the goal to open summer or fall 2018.

Mr. Bedwell asked what the plan is if a request is received for funding when no funds are left. Mr. Mercer responded that the finance committee needs to meet and consider that to bring recommendations back to the board at next month's meeting. Ms. Linke will hold any applications received until the November meeting.

Adjourn:

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

Approved this 16th day of November, 2017:

By: _____

Jeffrey Mercer, President

Attest: _____

Kim Minton, Secretary