

MINUTES

March 26, 2015

Board Meeting

City Hall – Council Chambers

Members Present:

Steven Woods.....President
Lisa Jones.....Vice-President
Jeff Mercer.....Secretary
Angela Coy.....Treasurer
John Ditmars.....Member
Mike Denney.....Member
Kim Minton.....Member

Others Present:

Robert Schafstall.....Legal Counsel
Krista Linke.....Community Development Director
Jaime Shilts.....Recording Secretary

Call to Order:

Steve Woods called the meeting to order at 8:00 a.m.

Approval of Minutes:

Lisa Jones made a motion to approve the February 26, 2015 minutes as presented. Jeff Mercer seconded the motion. The motion carried.

Public Comment:

None.

Committee Reports:

- A. **Communication Committee:** Steve Woods (Next Meeting: TBD)
 - 1. New website presentation: www.FranklinDevelopmentCorporation.org- Mr. Woods stated they have the framework and the website is ready to have information uploaded to. Ms. Linke, Ms. Oliver and Jaime Shilts will be meeting with website developer on Friday. Ms. Linke stated the agenda and minutes, financial reports, calendars, program applications, and a summary of past projects will be on the website.
- B. **Finance Committee:** Jeff Mercer and Angela Coy (Meets as needed)-Mr. Mercer stated they have not met since last month. They will have something at the April board meeting.
- C. **Loan and Grant Committee:** Lisa Jones and Mike Denney (Next Meeting: April 15th @ 3:00 pm)
 - 1. Downtown Façade Grant Program Funding
 - 2. DFMG: 1800 E. King Street-Hillview Country Club (Recommendation: Approval) – Ms. Jones stated they received an application for a façade grant for \$50,000. They committee was unable to meet this month but it was emailed to all committee members. Ms. Jones stated there are no funds left for this program. The stated they may need to have another meeting with the RDC and the Mayor. There are decisions that need to be made with funding and allocations. Mr. Woods questioned if the 2 grants on the agenda were the

only ones. Ms. Linke stated they are the only applications but she has had interest from others.

Mr. Mercer stated the improvements at Hillview are great for the community but there needs to be a question about the eligibility requirements. Ms. Jones stated there were issues with the County Club in regard to whether they are eligible for a grant. There are currently items in the eligibility requirements stating that "All work must be done on a street facing side of an existing building, "All work must be done on the exterior of the building and result in a publicly visible improvement, and "Work can only be begin after approval of the FDC Board to be eligible for a grant". She stated if the board would decide to approve the application, they need to decide if Hillview qualifies.

Mr. Mercer stated it will be publically visible to people that go there but compared to what has been done in the past downtown, what is the interpretation? Mr. Ditmars questioned if they are not given the grant, they could offer a low interest loan. He stated the FDC may have to redefine the program. Ms. Linke stated Hillview submitted the application several weeks ago. They have started work and are hoping for an answer today. They are well above the match requirement.

Ms. Jones stated they need to allocate money if they decide they want to move forward with it. Ms. Jones stated they need to figure out the allocation part before they decide to vote on it. Mr. Woods requested that Ms. Jones and Mr. Denney work together on the Hillview project and report at the next meeting. He requested the rest of the Board contribute and help with it as well. Ms. Jones stated they need to consider the abandoned housing program too.

Mr. Mercer stated maybe they should consider an expansion of the original scope of work to include other areas, such as the area by the interstate. Mr. Woods stated they could vote on it at the next meeting. Ms. Jones stated the Loan & Grant Committee needs to have a discussion on it. Rhoni Oliver, Community Development, stated that the property is adjacent to the area that the FDC is able to allocate funds to and does fit within that perimeter. Mr. Mercer stated they need to make sure this decision is consistent with future decisions.

Lisa Jones made a motion to table the discussion until the April 23, 2015 meeting. Angela Coy seconded the motion. The case was tabled until the April 23, 2015 meeting.

3. DFMG: 89 E. Jefferson Street-Linda Frechette (Application not complete)

97 E. Monroe Street Purchase Agreement:

Mr. Schafstall stated that B2S needs to show for their NIH grant that they have a place to do business. The purchase agreement will show that information. He stated if their financing or the grants don't come through, then the purchase agreement would fall through as well. He stated they wouldn't be closing very soon. He stated the agreement would allow up to 90 days with a couple of 30 day extensions.

John Ditmars made a motion to approve the purchase agreement with B2S labs. Lisa Jones seconded the motion. The motion carried.

February Financial Report:

- A. Balance Sheet
- B. Budget vs. Actual-Ms. Linke stated it combines the operating report with the programming report. She has changed the format of the monthly programming reports.
- C. Residential Revolving Loan Fund (RRLF)
- D. Commercial Revolving Loan Fund (CRLF)
- E. Downtown Façade Matching Grant (DFMG)-There are 22 that are complete and 7 in progress.
- F. Requests for Proposals (RFP) and Direct Investments (DI)-Ms. Linke stated she added the purchase of 97 E. Monroe Street and the carrying costs. Franklin Heritage has about \$11,000 remaining, Richard and Meg Goss-\$2,000, Jefferson Street Pub-over \$20,000, Fred Paris has \$245,000 but that project hasn't started yet. She stated the greatest change to the financial report is how they are analyzing programming dollars. There is \$1.1 million not including operating in the bank. There is \$612,000 in outstanding commitments that has not been used. The sale of 97 E. Monroe Street will net \$75,000. She stated they have \$564,000 in the bank. Ms. Linke stated they make about \$2,000 a month. She stated there's \$150 in closing fees for each loan that gets put into operating. She stated the Zumba studio pays \$650 a month in rent which goes to operating as well. Ms. Jones questioned if they need to look at the \$564,000 for allocation. Ms. Linke stated that is correct.

Ms. Linke stated she needs guidance from the board on how many applications should be coming in. She doesn't want to give property owners false hope.

Director Report:

- A. Tax Sale Properties-Ms. Linke stated the paperwork has been filed and they are in the holding process.
- B. Abandoned Properties-Ms. Linke stated they are waiting for the City to decide how they are going to dispose of the properties.
- C. RFP 220: Fred Paris (178 & 188 W. Jefferson Street)-Ms. Linke stated she met with Mr. Paris this week. Mr. Paris has purchased both buildings. He is supposed to send the drawings to her which she will forward to the board. The environmental remediation system is being removed from the former Sparkle Cleaners. He will get the final approval letter from the State after it is done. She stated she doesn't feel comfortable releasing draws without the letter from IDEM.

Ms. Jones requested that Ms. Linke get a meeting set up with the hub and spokes.
Mayor McGuinness thanked Steve Woods for representing the FDC at the Boys and Girls Club.

Additional Items:

- Next Regular Board Meeting-April 23, 2015 at 8:00 a.m.

Adjourn:

No further business came before the Directors.

Approved this 23rd day of April, 2015:

By: _____

Steven Woods, President

Attest: _____

Jeffrey Mercer, Secretary