



**MINUTES**

**April 26, 2018**

Board Meeting

City Hall – Council Chambers

**Members Present:**

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

**Others Present:**

Krista Linke..... Director of Community Development  
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 March 22nd, 2018 minutes as presented. David Bedwell seconded the motion. The motion carried.

**Public Comment:**

None.

**Committee Reports:**

**A. Communication Committee or Monthly Update:**

1. 2017 Annual Report – Some picture changes were made along with the flow from the old to the new. Rhoni Oliver did a phenomenal job and the committee approved the piece. Mr. Bedwell asked who it gets sent to. Amy Richardson said this has not been decided but the desire is to be more targeted and not just a mass mailing. It will be considered at the committee's next meeting. Krista Linke added further ways it is distributed.

**B. Finance Committee or Monthly Update:** Alerding identified Katie as our contact person and they will get us a quote. Angela Coy explained there is an annual audit and the state will not modify that. May 14 and 15 is scheduled for their visit.

**C. Loan and Grant Committee or Monthly Update:**

1. Frechette Façade Project Update – 89 E. Jefferson Street – We are still waiting on a quote from Dennis Drake. It was projected to be received by the end of April.
2. CFMG 2017-02: EMRY – 62 W. Jefferson Street – funds transfer to CRLF 2017-01 EMRY 70/90 W. Jefferson Street – This request is to transfer loan funds from one project to another. They originally asked for an increase for 62 W. Jefferson, and months ago FDC approved them from \$50,000 to \$100,000. The 70/90 W. Jefferson Street project ended up more significant than

they originally thought, so they asked for an additional \$50,000 which the FDC turned them down for due to lack of funds. So they were advised to request to transfer funds from one project to the other, putting on hold the remaining construction on 62 W. Jefferson until they had cash flow coming in from 70/90 to enable them to finish 62 W. Jefferson. The amount of funds to be transferred is \$38-39,000. Once they receive it Ms. Linke guessed it could be done in a couple of months but it is hard to be certain. The paperwork for Horizon would need to be updated to reflect final numbers. Mr. Bedwell made a motion to transfer funds. Ms. Coy seconded. Passed.

3. CFMG: 2018-03 FRECHETTE – 951 N. Main Street \$17,542.92 – The Loan and Grant Committee met last week and approved this façade matching grant request. It will be painted, new shutters installed, re-landscaping and change out the signage.
4. CRLF 2018-03 ELEVATOR: – 26 E. Jefferson Street \$50,000 – This is for Greg Leugers and the co-working space and it was also approved.
5. RRLF 2018-02 DALE – 551 W. Madison Street \$20,000 (\$10,000 grant) – This is one of the tax certificate properties and was approved. The committee viewed it as an investment property as the Dale's daughter is moving in so it was matched at the 50% forgivable.

**D. Development Committee or Monthly Update:**

1. 2017 Tax Certificate Properties Update: Restoration has begun on 551 West Madison and 348 Kentucky. The other three still need quiet title. Two are vacant lots and the third is 544 W. Jefferson Street, which was awarded to Jon Conner. Mr. Conner is quite discouraged as this property was awarded to him last fall with the prospect of fairly prompt ownership. He was going to have his crews work on the property to keep them employed through their slow season. He now wonders if there isn't something the FDC can do for him in light of the long delay. Ms. Oliver added from her conversation with Mr. Conner his question with regards to the possibility of a loan or grant in light of the fact that he would have paid a lot less money over the winter keeping his crew busy at a lower rate. Loan and Grant Committee discussed it and one possibility was potentially waiving \$9,000 of the \$10,000 he will pay for the property. Ms. Coy asked why quiet title is taking so long. Kim Minton explained that Mr. Schafstall stated it is on the judge's desk. Ms. Coy asked what that meant. Ms. Oliver surmised that there is something more the judge requires. Ms. Coy asked if there has not been any communication between the judge and Rob Schafstall. Ms. Minton is not aware of any. Mr. Mercer asked what the normal time frame is on a typical quiet title. Although Ms. Oliver cannot say generally, the City was granted quiet title fairly quickly for the Red Carpet property. Ms. Minton added that the process was shorter on the other two properties as well. Mr. Mercer reviewed the situation and expressed his sensitivity to Mr. Conner's situation not of his own making. Ms. Coy asked if there is any obligation to reopen it to the public because the accepted amount has changed. Ms. Oliver does not think that to be necessary. Ms. Linke added the option of Mr. Conner still paying the \$9000 but it going back out as a grant. Ms. Coy asked if he can work in it without quiet title. Ms. Oliver said it's not recommended since he does not own the property yet. The City hired the attorney from the Red Carpet project to secure the deeds of the 2018 properties. Mr. Mercer will get with Mr. Schafstall to see what the situation is and what can be done. Mayor Steve Barnett offered to contact Ron West who has a good relationship with Judge Barton to see if there is anything they can do. Ms. Oliver added that FDC owns the property now and thus could do some minimal clean up while Mr. Conner waits for ownership. Ms. Coy asked if he would want his crew to do the cleanup so it is done to his satisfaction and Ms. Minton thought that to be likely. Mr. Mercer identified extra intensity around this property, being right on Jefferson Street, having sat vacant for 15 years, and a prospective owner ready to invest

\$200,000 into it. Mr. Woods made a motion to authorize Ms. Oliver to hire Mr. Conner's crew to begin clean up. Ms. Coy seconded. Passed.

2. 2018 Tax Certificate Property Requests Update: The city has hired Katherine Starks to secure the deeds. The FDC may then have her send out the notice for quiet title and proceed with that. The FHS industrial arts teacher is interested in partnering with the city on a class project. Details are yet to be determined. It would be for 420 W. Jefferson Street.

**March 2018 Financial Report:**

Ms. Linke reviewed her updated reports and identified remaining program funds to be \$168,344.80. She received a revolving loan fund request for \$50,000 from John Thompson in addition to the façade grant they already have.

**Director's Report**

1. Updates to the Strategic Plan – Ms. Linke will send out a reminder before the next meeting.
2. Future Program Planning – If the loan goes through, there is about \$120,000 left for the year, and the year is not even half over. Mr. Mercer doesn't think RDC will be able to give as much money next year as they did this year. This creates a need for discussion about whether the process should be more competitive or what is best to do if funds are used early in a year with none remaining for the year remaining. Mr. Mercer recommends another retreat time to discuss options. A more competitive process was compared to the tax certificate property process. Ms. Linke added that FDC might need to take a more proactive position to reach out to certain blighted or problem properties that might not otherwise come to FDC of their own initiative.

**Adjourn:**

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

**Approved this 24th day of May, 2018:**

By: \_\_\_\_\_

Jeffrey Mercer, President

*Stacy W. Woods, VA*

Attest: \_\_\_\_\_

Kim Minton, Secretary