



MINUTES

August 25, 2016

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
Lisa Jones 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 8:00 a.m. Mr. Mercer highlighted a recent FDC board retreat that was held last week. One outcome of the meeting was a decision to start work on a communications strategy with Steve Woods, Rhoni Oliver and Mr. Mercer.

Public Comment:

None.

Approval of Minutes:

Mr. Woods made a motion to approve the July 28, 2016 minutes as presented. David Bedwell seconded the motion. The motion carried.

Committee Reports:

A. Communication Committee or Monthly Update:

1. Annual Report Presentations – Mr. Woods identified that the annual report is done. Ms. Oliver reported mailing letters out yesterday for the revolving loan fund along with a copy of the annual report. She will also attach the pdf of the annual report to the website. Mr. Woods also reported that at the retreat people were identified and divided amongst the members to be met with, and that task has been completed. And he highlighted that the decision was also made to task Krista Linke and Ms. Oliver with more deliberate delegation to the board members rather than shouldering so much of this responsibility themselves. Ms. Linke reviewed the discussion held about having more informational sessions targeting public groups such as rotary, chamber, realtors, business networking groups, etc. Board members asked to speak to such groups are encouraged to do so.

B. Finance Committee or Monthly Update:

1. Revised 2017 Budget – Part Time Help

Angela Coy reported that Mr. Bedwell, Mr. Mercer and Ms. Coy will meet Tuesday to put together a three-year cash projection. The 2017 budget is also being revised. An intern was slated for originally, but at the retreat it was determined to revise that into part-time help, 15-20 hours a week at \$15/hour. That would increase that line item to about \$17,000/year. Mr. Mercer commented that logistics have to be worked out for all of that. Lisa Jones made a motion to approve the budget with revision. Second by Kim Minton. Passed.

C. Loan and Grant Committee or Monthly Update:

Ms. Jones reported on tasks assigned from the board retreat. At their next meeting they will start a review of current programs and guidelines to make sure they are still in line with community needs. One potential application is in the works. They are in a residentially zoned area but they are a commercial use so it is being determined as to whether they qualify for a façade grant. Ms. Jones feels comfortable with their qualification for the façade grant. Ms. Linke explained how the guidelines read, supporting the commercial use even though in a residentially zoned area. It is Girls Inc. on Madison Street. Ms. Jones offered that maybe an explanation of this is something that needs to be included in the policy. Board feedback is sought. Ms. Jones also reported a more targeted approach to the buildings in the downtown area that have not used the façade grant program.

1. Status Update: 351 E Jefferson Street – Ms. Linke reported half the building currently filled and the other half to be filled September 1. They mentioned wanting to put up a wall at their expense to create an additional office for a 44-month lease. They would remove at the end of their lease if the city wanted. There might also be some interest in the second floor space, but there are logistics to be worked through with that possibility. Mr. Mercer asked Ms. Oliver about a build out. Ms. Oliver has spoken briefly with the prospective tenant but there is no detail yet on the particulars of the build out.

D. Development Committee or Monthly Update:

1. Tax Certificate Properties Timeline Update – Ms. Minton reported that there might still be opportunity to get some of the tax properties.

E. Capacity Committee or Monthly Update:

1. Board Retreat Recap – August 18th – Ms. Linke reported a good retreat with good discussion about programming and the direction of the organization. They will follow up with some properties that have started the process but are currently inactive. Different areas are being targeted for the revised residential loan and grant program. Discussion was also held about expanding the area where the funds could be spent. There is a need to continue to look at the boundaries of the program and consider if they should be extended a little. Hoosier Brewing hopes to be open within the next month or so. B2S Labs is working on the first floor. The brick is progressing but taking a lot of time. The Artcraft continues to work on the HVAC and marquis projects. Awnings through the MSRP funds are also being worked on. To date only two property owners have taken advantage of that program. Mr. Mercer confirmed with Ms. Linke that if, of the \$380,000 available, all the projects in the works came through, at least \$300,000 of that would be spent. Mr. Mercer also announced working with Mr. Woods in preparing to go back before the RDC next month to report on progress and future direction.

July 2016 Financial Report:

Ms. Linke reported the successful consolidation of another two accounts. Two remaining BMO accounts have been closed with those funds deposited into the direct investments account. Operating account is around \$100,000. Three residential loans were paid off in full. The overall budget is about 100% income. The three Roach loans are the ones paid off. No new loans yet, but Ms. Oliver has two solid leads, and anticipate five before the end of the year. Commercial loans are all doing well. B2S Labs has almost reached their \$200,000 draw, so they will start repayment after that. Ms. Coy asked what the status was on Pipestone. Ms. Linke met with them. They are attempting to find a tenant before they put more money in that property. Inasmuch as this one has gone on for about four years, the board can determine if they desire them to close this out and reapply or give them a six month deadline. Their loan is for \$25,000 and they have made one draw for \$6250 primarily for demo on the upstairs apartment. The Grill Bar is almost done with their alley work and are waiting on their façade work to begin when Dennis Drake is done at B2S Labs. Franklin Property Group has begun with replacing windows and paint. Irish Brothers is underway. Follow up needs to take place with Dan Catlin regarding his project as it is not underway yet at 164 E. Jefferson Street. There is approximately \$50,000 left in the 351 E. Jefferson account. The total programming fund balance without operating expenses is \$1.28 million. Some funds are spoken for so available funds are \$779,000. Accounts receivable for revolving loan fund is \$235,000 which should be repaid in full within the next seven years. \$381,000 is the 2016 alone balance. Ms. Linke estimates \$300-350,000 identified with applications in progress.

Director Report:

None.

Additional Items:

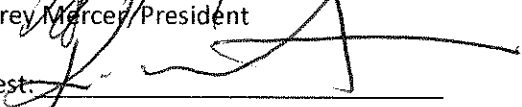
- Next Regular Board Meeting - September 22nd, 2016 at 8:00 a.m.

Adjourn:

No further business came before the Directors. The meeting was adjourned at 8:28 a.m.

Approved this 22nd day of September, 2016:

By: 
Jeffrey Mercer, President

Attest: 
Kim Minton, Secretary