

MINUTES

September 22, 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.

Public Comment:

None.

Approval of Minutes:

Steve Woods made a motion to approve the August 25, 2016 minutes as presented. Kim Minton seconded the motion. The motion carried.

Committee Reports:

A. Communication Committee or Monthly Update:

1. Annual Report Presentation – Mr. Woods reported that David Bedwell suggested an FDC/RDC mixer on October 26 at 5:00 pm at Triple Play Barbecue for a casual presentation about the annual report. Rhoni Oliver will prepare poster boards. The public is welcome.
2. Corporation Communication Strategy – Mr. Mercer presented the communication strategy synopsis.

B. Finance Committee or Monthly Update:

1. 2016-2020 Financial Projections – Mr. Mercer highlighted details of the five-year financial projections. Projected balance for the end of 2016 is \$62,244 and at the end of 2020 it is \$57,084. An administrative assistant has been budgeted for starting in 2017. This will be presented to RDC on October 26. Lisa Jones asked if the reflected rental income from 351 E. Jefferson includes the upstairs. Mr. Mercer reported it does not. He explained that the best case scenario after initial investment in the second floor was only to break even, so it was not deemed beneficial to pursue that at this time.

C. Loan and Grant Committee or Monthly Update:

1. CFMG 2016-06: 136 E. Jefferson Street – The Crop Shop – Ms. Jones reported they applied for a commercial façade grant. It was approved. Total project cost is \$8,567.50, fifty percent coming to \$4,283.75. Contractor D.W. Planker has been approved. Improvements include repairing and painting the front façade, new signs, etc.
2. CRLF 2016-02: 242 E. Jefferson Street – Alicia Tisdale – This façade grant is for Moxy, a hair salon to be opened in the back of the building. She is looking to do façade improvements and signage. Total project cost is \$3,265, fifty percent being \$1,632.50. The grant was approved subject to contractor approval, BC Construction.
3. CFMG 2016-07: 242 E. Jefferson Street – Alicia Tisdale – This project was also approved for a commercial revolving loan for interior remodeling. Total cost estimate is \$27,075.
4. CRLF 2016-03: 100 S. Jackson Street – Gordon Strain & Dianne Moneypenney – This loan is for secondary financing to purchase the property. The first floor will be remodeled as a retail space. The basement and walk out area will be an artists' studio. The loan is for \$15,000.
5. Withdrawn Application – 251 E. Jefferson Street – Kenny Engle
6. Pending Applications – Ms. Linke reported at least five property owners in varying stages of application proceedings. Mr. Mercer reported from last month having \$381,000 of RDC awarded money remaining and available, and if all applications come through, it would use a minimum of \$300,000 of that. So there may be a need for another programming ask coming soon.

D. Development Committee or Monthly Update:

1. Tax Certificate Properties Update – Ms. Minton reported that Rob Schafstall filed a motion to correct errors on the three properties. An October 11th court date has been set. Ms. Minton and Oliver went to the tax sale last week and Ms. Oliver is reviewing all those that did not sell.

E. Capacity Committee or Monthly Update:

Ms. Linke had nothing new to report.

August 2016 Financial Report:

All BMO accounts have been closed. Ms. Linke reported being a little ahead of schedule in some of the administrative areas but should even out to even under budget by year end. Mr. Bedwell asked if the downtown matching façade grant list should be on the balance sheet. Ms. Linke and Angela Coy responded that it is a report issue and should not be on the balance sheet. There were no missed payments on residential or commercial loans. A couple more were paid off in full. Residential loan repayments total \$457,083.18. No new applications are pending, but Ms. Oliver is working with four property owners. Commercial loan repayments total \$311,491.08. Mr. Woods asked about Pipestone. Ms. Linke explained they still don't have a tenant lined up and some of the history on this. Ms. Coy advised giving them to the end of the year and if they are not complete, they should start repaying in 2017. Ms. Linke will take care of the communication process with regards to this. A few new façade grants have been added. Available programming funds are \$762,815.12. Mr. Mercer reminded of the interest in the residential loans. He also asked about the timeline for an administrative assistant, confirming at least by early 2017.

Director Report:

Ms. Linke reminded about the retreat discussion of looking at some more direct investment projects. 89 E. Jefferson Street is one of these opportunities around the \$200,000-250,000 range. This would go above the regular façade grant program.

Mr. Mercer asked Mayor McGuinness to report on the co-working space. There has been work done together with the school corporation and also significant research from Franklin College. There are roughly 40 co-working spaces throughout Indiana and the state has created a co-working alliance. A common denominator of all statewide co-working spaces is a tie in to or an umbrella relationship with a non-profit agency. FDC was mentioned as a good choice for the non-profit status of such a space. Mr. Mercer added a focus on the proximity to downtown and also attention to a volunteer board for something so significant. He recommended the step of an FMEA analysis. Ms. Minton asked if the board could receive the information done by Franklin College. Mayor McGuinness confirmed the ability to do this and also highlighted the trip made by several to Lafayette and their co-working space, The Matchbox, and would be happy to share that as well. Ms. Linke is trying to summarize that information for dissemination. One key difference is Lafayette's county coalition. Mr. Bedwell asked if any co-working spaces have employees. It was reported they all do. Ms. Coy recommended contacting Alerding for our original 990 to make sure this is still within the scope. Mr. Mercer reminded the day to day operations of this space would not fall on the FDC but the employees and volunteer board of the space. Ms. Jones expressed confusion regarding the FDC role in this project. Mayor McGuinness responded that the goal should be generating entrepreneurs. Since it will then need to likely be organized as a non-profit, they are structured under a non-profit entity and FDC helps nurture small business growth. Mr. Bedwell asked if the FDC would be the owner of the property. The mayor said potentially, yes. Mr. Bedwell asked if the employees would be FDC hires. The mayor confirmed that to be a conversation yet to be had, part of the FMEA process.

Janice Bullman stated the Franklin Chamber of Commerce's support of the co-working space and offered their support in any way needed.


Additional Items:

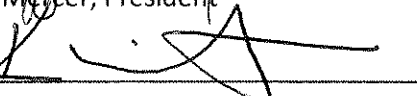
- Next Regular Board Meeting - October 27th, 2016 at 8:00 a.m.

Adjourn:

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

Approved this 27th day of October, 2016:

By: 
Jeffrey Mercer, President

Attest: 
Kim Minton, Secretary