



MINUTES

February 28, 2024
Board Meeting

Members Present

David Bedwell.....President
Tina Gross.....Vice President
Amy Richardson.....Secretary
Lisa Jones.....Member
Amanda Ott.....Member
Dustin Royer.....Member

Others Present:

Drew Eggers..... Legal Counsel
Dana Monson..... Community Development Specialist

Welcome:

David Bedwell called the meeting to order at 9:00 a.m.

Election of Officers

President – David Bedwell
Vice President – Tina Gross
Secretary – Amy Richardson
Tina Gross made a motion to nominate the current slate of officers for 2024. Lisa Jones seconded.
Passed unanimously, 6-0.

Approval of Minutes – October 25, 2023

Amy Richardson made a motion to approve the October 25th minutes. Amanda Ott seconded. Passed unanimously, 6-0.

Monthly Reports:

- A. Awareness Committee or Monthly Update:** Ms. Richardson announced those in attendance at their February meeting and guest speaker Lydia Wales who presented on need in the area.
1. 2023 Annual Report – Thank you to DDF Executive Director Danny Causey for the annual reports and project summaries. He also developed recognizable branding for going forward.
 2. Project Summaries & Before and After Presentation
- Dana Monson added that Mr. Bedwell went before RDC, EDC and City Council to present the work of FDC.
3. Next Meeting Thursday, April 18th at 9:00 am at Main and Madison.

B. Finance Committee or Monthly Update:

1. October, November, December and January Financial Reports – Krista Linke sent these out to the board ahead of the meeting. Currently FDC is in the negative \$276 as of the end of January, but that will change. Ms. Monson reviewed the status of current grant and loan projects. Mr. Bedwell expressed concern for closing out the KDR House project. Available program funds are \$833,232. Mr. Bedwell asked that

the First Merchants account that \$770,000 was deposited into be checked on since the interest rate was guaranteed for six months only. He followed up to ask where the interest monies are funneled, and Ms. Monson stated they are can be transferred to the operating account at Mutual Savings bank. Mr. Bedwell also asked with regards to the budget line item of Review and Tax at \$19,000 which he thought was to be closer to \$12,000. Ms. Monson explained that it is because it is for two years, and Ms. Jones added that a new firm was hired with a higher rate.

2. 2024 Budget – This was voted on via e-mail and officially adopted. Ms. Linke has designed a report that features the operating budget without all the other accounts. Due to Iozzo's, this year's operating budget income is higher with a projected increase in revenue due to rental income and will be more next year when Iozzo's is paying the full amount.

C. Loan and Grant Committee or Monthly Update:

1. RRLF: 500 E. King Street - \$25,000 – The project is to include a south and west porch expansion, redoing basement windows, tuckpointing and replacement of side eave vinyl siding. She is also considering a sidewalk replacement instead of the porch expansion. They will go through the city program for sidewalk replacement if that is the choice they make. She is \$30/month above the 100% forgivable. Otherwise she would come in at the 70% forgivable. The committee's recommendation was the 100% forgivable. Ms. Richardson expressed concern over the possible setting of a precedent without a threshold for these kinds of situations. Ms. Monson concurred with Ms. Richardson and stated there had been a similar case last year as well for about \$600 annually. Mr. Bedwell is concerned about getting backed in to a corner with an identified dollar amount, and there is freedom currently to hold to the 70% forgivable as well. Ms. Richardson asked if all that is currently in writing. Drew Eggers explained that the thresholds are not statutory but created by FDC so deviation is possible should FDC so choose. He also cautioned about setting a precedent. Dustin Royer asked if FDC income limits have been adjusted in recent years, and Ms. Monson responded that they were adjusted last year. They are guided by state and county HUD. Ms. Ott asked if the decision should wait until the project elements are solidified. Ms. Monson explained that the price difference between the two possible scenarios is not significant and the project estimate is already at the maximum. Ms. Jones confirmed that income limits change annually so wanted to insure most recent limits are being used. Ms. Monson believed they were but will double check. Mr. Royer asked if forgiven 100%, would she do both porch and sidewalk. Ms. Monson said she still would not. Ms. Gross sought verification that being on a fixed income she could make the 30% monthly payment. Ms. Monson affirmed.

Mr. Royer made a motion for 100% forgivable. Ms. Richardson seconded. Passed unanimously, 6-0. Further discussion can take place at the board retreat regarding parameters moving forward.

2. CFMG: 239 W. Jefferson Street (Jack's Donuts) - \$25,000 – Due to recent project changes since the loan and grant committee meeting, this is currently being tabled.
3. Site Visits (if needed) Tuesday, April 9th @ 3:00pm – Ms. Richardson asked for this date to be reviewed as it is the day after the eclipse.
4. Loan and Grant Committee Wednesday, April 17th @ 3:00pm
5. Previous Façade Grant Recipients – This discussion can take place at board retreat. There are seven- and ten-year-old previous funding recipients that are coming around again with needs and desires. Ms. Monson highlighted that a decision was made in 2012/14 that once a façade

grant had been granted to an individual, they were not granted any additional in future times. Five applicants have been received from that time that are back with new requests given the way time has weathered their initial improvements. There is also the issue of some back facades that are visible against cleaned up, pedestrian alleys as the current verbiage states street facing only. Mr. Bedwell further explained that some of the previously renovated facades were not originally funded by FDC but OCRA, so some of the work done was not up to FDC standards. Three of the five applicants fall under this situation, two do not.

6. First Fridays/Shop the Blocks Streetscape Grant – Ms. Monson explained the program for a first Friday late night shopping event. There are 38 participating downtown storefronts staying open until at least 8pm. DDF requested a grant from Festival Country for a streetscape program. If a store stays open until at least 8p every first Friday of the month for the first six months, their store name will be put in to a drawing. After the first six months there will be two \$2,500 grant prizes. They are to be used for façade improvements such as planters, benches, etc. Another two grants will be given after one year of the program. Once a store has won a grant, they are not eligible again. DDF reached out to FDC for funding as well. They are seeking a \$5,000 match. Ms. Ott asked if all eligible businesses are inside the TIF. Ms. Monson affirmed, stating they are all in the downtown area. And Mr. Bedwell reminded that FDC funding would go directly to DDF. Ms. Jones asked what account funding would come from. Ms. Monson responded with the commercial façade matching grant program. Ms. Richardson expressed support and appreciation as a business owner for this coordination so all shops are consolidated to being open at the same time which will be easier and of greater interest to the community. Mr. Eggers confirmed legal support and approval. Ms. Jones liked that it results in façade improvements. Ms. Gross asked if the businesses have to report what they are doing with the funding, and Ms. Monson stated that they do.

Ms. Jones made a motion to grant the \$5,000 from the commercial façade grant account. Ms. Ott seconded. Passed unanimously, 6-0.

D. Development Committee or Monthly Update: The next project is being actively sought after. There is a corner lot at 599 Young Street that is owned by a trust. It is abandoned and the taxes are delinquent. It will go to tax sale this year. The trust owner is deceased, and there are no trust documents. The heirs have no way of selling it. They also do not have the means to go through the legal processes to be able to sell the property. There are two sons. One is homeless and one is transient. There are legal steps through the courts that can be taken to get a trustee assigned to the trust. Mr. Royer is working with California family members who are difficult to get a hold of and aren't motivated to work on this. Legal fees could be as high as \$5,000 but more likely \$2,500-3,000. The purchase price of the property has not yet been determined, but the seller can't sell without court action first. Mr. Eggers cited a cost benefit analysis situation as there are two options without guarantees on either one. He was of the opinion that there is less risk to FDC with the tax sale. Mr. Royer believes that the purchase price would be more expensive at tax sale and a longer process to completion. The tax sale is in September, with a one-year redemption period and then quiet title. Reinstating a trustee could be a 90-day process, but they could also sell to someone else. Mr. Royer believes the sellers are not motivated to work to secure another buyer and would likely take the path of least resistance. There could also be contracts signed on the front end giving FDC first right of refusal after helping the sellers through this process to be able to sell the property. Mr. Eggers recommended some sort of legal protection for FDC in this situation. Mr. Eggers has approximated a purchase price of \$25,000 based on the condition of the house. There is a tree growing through the eaves. It is not a teardown. It is better than Hurricane, perhaps comparable to Circle Drive. Ms. Jones asked if it could

also be built into the contract that if sellers sold to another entity, the legal fees incurred would be reimbursed to FDC. Mr. Eggers confirmed that anything FDC desired could be put into the contract. Extensive discussion ensued with a lot of Q and A amongst the board members, discussing many hypotheticals and the details of different possible scenarios. Ms. Monson highlighted that this is a nuisance property high on Franklin's list of properties needing to be remediated. Mr. Eggers also suggested approaching City Council for initial funding and FDC do the leg work which would protect FDC's finances. The home is not in the TIF. Mr. Royer estimated that FDC would have a \$200,000+ investment in the project. Mr. Royer will speak to the sellers again and bring back to FDC.

The Alva Neal building is still being discussed without any real progress at this time. And Mr. Royer encouraged board members to send him any properties they encounter that might qualify for FDC projects. Ms. Monson keeps the ask on social media as well.

1. Next Meeting Wednesday, March 20th @ 9:00am.

Director's Report

1. 351 E. Jefferson Street Update – A May/June opening is estimated by Iozzo's. FDC estimates a July/August opening.
2. Board Retreat (April 2nd or May 22nd) – Due to April 8 eclipse, tax filing deadline and end of spring break, April 2 was not deemed good. May 22 is a week before graduation and quite late for FDC agenda needs. Ms. Monson will do a doodle poll. Mr. Bedwell proposed the second or third week of April. Traditional timeframe is 8/9:00 am to noon.
3. 2024 City of Franklin Projects – Mayor Steve Barnett was not able to attend to present, but a list had been distributed pre-meeting. Ms. Monson quickly highlighted several projects on the list and the correlated funding.

Public Comment

Rosie Chambers announced the next chamber luncheon March 14 at Compass Park highlighting Trent Newport presenting on the US 31 project.

Rob Shilts gave an update on the Artcraft project and expressed his gratitude. He asked the board to consider roofing projects. Putting money on a façade with a bad roof is akin to throwing money away. He also encouraged an engineering study. He cited a couple of large buildings in Franklin that have had nothing done to them. Roofs and foundations, then facades. He asked for consideration of residential funding outside the TIF.

Adjournment

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

Approved this 24th day of April, 2024:

By: _____

David Bedwell, President

Attest: _____

Amy Richardson, Secretary