

**MINUTES**

**April 24, 2024**  
Board Meeting

**Members Present**

David Bedwell.....President  
Amy Richardson.....Secretary  
Amy Haacker.....Member  
Lisa Jones.....Member  
Amanda Ott.....Member  
Dustin Royer.....Member

**Others Present:**

Krista Linke.....Community Development Director

**Welcome:**

David Bedwell called the meeting to order at 9:00 a.m. He thanked the board for time spent at the retreat last week.

**Approval of Minutes – February 28, 2024**

Amy Richardson made a motion to approve the February 28<sup>th</sup> minutes. Amy Haacker seconded. Passed unanimously, 6-0.

**Monthly Reports:**

**A. Awareness Committee or Monthly Update:** Ms. Richardson reviewed talking points from the retreat including stakeholders and FDC program end users and how to reach each demographic. Action items were established. They are considering potential community partners and how to work together. Homeowners sometimes think FDC programs are a scam.

1. 2023 Annual Report – Krista Linke reported having a list of things needed. She will attempt to get it to Danny Causey next week to put in to the template. It will be ready for FDC review before the next committee meeting.
2. Project Summaries & Before and After Presentation – This is ongoing. Templates have now been established for this and the annual report. Dave Windisch is helping with a brochure update for the Residential Rehabilitation Repair Program. Ms. Linke needs to get him new pictures. Ms. Linke reported meeting with the United Way Helpline manager along with other planned meetings and speaking engagements.
3. Next Meeting Thursday, June 20th at 9:00 am

**B. Finance Committee or Monthly Update:**

1. February and March 2024 Financial Reports – The six-month term for the money market account at 4.75% interest is complete. First Merchants said it could be rolled in to another three months at 4.45% interest on the \$770,000. The reason a longer investment and a higher yield is not possible is that Ms. Linke needs to be able to withdraw funds as needed. Interest income totals approximate \$5,000. The interest will be put in the money market account but can be transferred in to unrestricted. She reviewed all FDC account balances totaling slightly over one

million dollars in assets. Loans being paid back total is \$409,817. Ms. Linke continued to highlight several line items and projects on the reports.

2. 2023 Audit – Lisa Jones said the audit should be underway soon. The engagement letter from Agresta, Storms & O’Leary was received yesterday. They should begin work on 2023 tax returns as well. Ms. Jones will send a copy of the signed engagement letter to Ms. Linke upon completion. Ms. Linke is also finishing up work on a tax penalty from the 2020 tax return filed by Alerding. Since this has been worked on since 2021, the penalty is up to \$5,000.

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

1. RRLF: 500 E. King Street - \$25,000 Update – This was approved two meetings ago. There have been some changes, but the final proposal has been received and everything is eligible, so they will begin making draws.
2. CFMG: 239 W. Jefferson Street (Jack’s Donuts) - \$25,000 – Based on impact and historical preservation with the FDC mission, the committee deemed other projects fundable over this one. The committee passed on this project and the applicant has been notified.
3. CFMG: 99 N. Main Street – The Willard -- \$10,000 – The Willard is requesting a \$10,000 reimbursement for an estimated \$20,000 engineering study on the building’s exterior. This is outside the FDC norm. Under the façade grant program, they would pay \$10K and FDC would pay \$10K. One suggestion previously received had been to treat this as a low interest loan forgivable after a certain monetary investment amount had been made in repairs. Dustin Royer identified the desire to discuss and establish a program with parameters. It could be facilitated through the Property Recovery Task Force. Mr. Royer stated his thought that FDC wouldn’t want to get in to paying for engineering studies on multiple downtown buildings without the repairs being accomplished that the studies show are needed. He also believed this to be an added incentive to building owners to get the repairs done beyond just filing the free study away or using it solely for information purposes at a time of sale. Mr. Royer asked if the intent was to conduct repairs on the Willard. Owner Tony Priola confirmed that it was. Rob Shilts from Franklin Heritage gave some history and detail on the building and the engineering study process and the benefits of such a study. Ms. Jones asked what preliminary concerns might include. Mr. Priola identified foundation and some structure to address in the upstairs rooms. They have a new roof and are doing some plumbing repair to further keep water away from the building. Mr. Shilts explained efforts for a French drain. Mr. Bedwell asked for the average cost of an engineering study. Mr. Shilts approximated anywhere from \$8,500-20,000 based on the scale and scope of the building being studied. Ms. Linke added historic precedent having been set with the former Hazelett Building, the current home of the Daily Journal and Grey Goat. She was in favor of setting up some type of program to support these types of engineering studies. Ms. Haacker felt this to be an important step in protecting other FDC investments in property repairs and historic preservation. Mr. Royer recommended treating this project as a one-off and work on a structured plan from his committee for going forward. Ms. Linke asked for the Willard’s timeframe for their repair plan. Mr. Priola responded it would likely be a five-year plan due to financial realities. Mr. Shilts identified the anticipated completion date for the study to be mid-May and copies would be provided to board members at that time. Ms. Linke projected that next steps would likely involve a façade grant and low-interest loan. Mr. Bedwell summarized that the suggestion was to fund \$10,000 to be treated as a forgivable loan once invoices are submitted. Ms. Linke will work with Attorney Drew Eggers on the legal paperwork for this forgivable loan of \$10,000 with no interest for 12 months.

Mr. Royer made a motion to provide \$10,000 in the form of a forgivable loan to the Willard for an engineering study with no interest or payments accrued within the first 12 months and with the understanding they would spend \$10,000 or more in repairs. Ms. Haacker seconded. Passed unanimously, 6-0.

4. RRLF: 249 W. Madison – Wendy Shuler -- \$25,000 – This was approved at a 70-30 split, so repayment will be at 30%.
5. RRLF: 29 W. South Street – Robert & Emma Zorne -- \$25,000 – This was also approved at a 70-30 split.
6. CRLF: 197 E. Jefferson Street – Kevin Good & Grant Walker -- \$50,000 – This is the former Jessen Funeral Home and will be converted to retail and office space. They are doing interior refurb with electrical and bathroom updates. The new owners close the end of May. The loan closing will take place after the real estate closing.
7. RRLF 2023-05 Fleshood, Nancy – 686 N. Main Street – Mr. Royer reported that general contractor Marissa Stout did some work on this house in November. Ms. Stout reported work on damaged basement beams and floor joists. They also repaired and reinstalled a couple original windows. They also parged the west, north and part of the east sides of the foundation. They did exterior wood repair and painted windows, doors and trim. They mulched the yard. They discovered her Michigan ledge in the basement had collapsed and was not included in the original scope of work covered by the initial \$25,000. Ms. Stout's crew has set up temporary supports. Ms. Fleshood is on a fixed income and fearful of this \$25-30,000 job, unknown definitively without further investigation and the clean out process. Mr. Royer believes the ledge is holding the soil and outer foundation in tact. It is presumed that the brick on the outer wall supporting the entire home does not have a footing. Downspouts have all been routed away from the house. Ms. Linke explained that her initial \$25,000 was 100% grant and that work is complete. It covered windows, chimney repair and sagging floors. Additional funding to increase the amount over the FDC standard of \$25,000/property requires board vote. Ms. Stout will charge Ms. Fleshood only for materials and labor. Her estimate for the remaining repair is \$8-10,000 at cost. Ms. Haacker asked if there is a cap on what each owner can request as forgivable. Ms. Linke explained that the standard program is \$25,000 and based on income 50-100% forgivable. Ms. Jones asked if there used to be higher limits for this program. Ms. Linke confirmed that it used to be \$50,000. It has also been as low as \$15,000. Ms. Jones suggested that if limits are raised maybe that would motivate homeowners to focus on structural repair over beautification. Amanda Ott asked if, with raised limits, prioritizing structural repair could be required. Ms. Haacker suggested a checklist to guide investment choice decisions.

Ms. Richardson made a motion to approve an additional \$10,000 for this project. Ms. Jones seconded. Passed unanimously, 6-0.

Ms. Richardson left the meeting.

Mr. Royer asked if it would be advisable to require engineering studies on at-risk properties. Ms. Stout identified the homes with brick foundations to be the difficult properties and would find engineering studies to be very helpful.

8. CRLF: 351 E. Jefferson Street – Katie Harris (Iozzo's) – They requested a loan for \$150,000 for the continued renovation and structural work. They anticipate a 90-120 day construction timeline with a late summer opening. They are currently securing other investors and financing to complete this project. FDC's maximum is typically \$50,000. Disbursements are for structural improvements only and not furnishings or operating expenses. Ms. Linke stated this to be a

standard stipulation. The entire proposal meets FDC criteria and precedent has been set for such an increase request such as B2S and Emery's. The interest would be raised from 4% to 5% on return for a seven year term.

Ms. Jones made a motion for approval. Ms. Haacker seconded. Passed unanimously, 5-0.

9. Site Visits (if needed) Tuesday, June 11th @ 3:00pm –
10. Loan and Grant Committee Wednesday, June 19<sup>th</sup> @ 3:00pm --
11. Previous Façade Grant Recipients – Previous recipients have come back with additional requests. A 10-year time period was discussed still with possible exceptions. Ms. Jones expressed needed review of the programs by Impact Committee with a recommendation back to the full board. Ms. Linke offered historic examples on these types of situations from the past. Ms. Haacker suggested flexible guidelines and preferences, giving the Impact Committee freedom to make recommendations. Mr. Bedwell concurred with assigning the committee to review and recommend back to the full board at the June 26<sup>th</sup> meeting. FDC will add a board meeting in May.
12. Engineering Studies –

**D. Development Committee or Monthly Update:** Several things came out of the board retreat. They will handle engineering studies. Another consideration is commercial roofs. And they will give consideration to second-story residential properties. There are no definite potential properties at this time. Ms. Linke has had meetings regarding the Alva Neal building and a potential partnership with the Johnson County Community Foundation. It will be early summer before their board is able to convene to discuss.

1. Property Recovery Task Force: Next Meeting Wednesday, May 8<sup>th</sup> @ 9:00am – This meeting will need to be rescheduled as Ms. Linke and Dana Monson will all be at an Alabama conference on this day. It could perhaps be held the week before.

#### **Director's Report**

1. 351 E. Jefferson Street Update – They have decided to build out the second floor. It is not structurally supported for building codes and gathering spaces. An additional staircase and chair lift are also required. Plans are 98% complete and equipment, furnishings and fixtures purchased. Their general contractor has applied for the approved contractor list.
2. Board Retreat Recap – Ms. Linke thanked all for their time.
  - a. Neighborhood Nights – May 14<sup>th</sup> at the Artcraft – Ms. Linke will keep the board updated on this event.

Glenn Faris with Franklin Heritage has worked on ordinances to put in place with Franklin for the Historic Preservation Commission. It would put a protective layer over all investments in downtown buildings. It solidifies what FDC already requires. FHI and DDF have both partnered with this process over the last couple of years. Approximately 50 other Indiana communities already have such a commission.

Ms. Haacker made a motion to approve a show of support for Historic Preservation Commission guidelines and ordinance. Ms. Ott seconded. Passed unanimously, 5-0.

**Public Comment**

**Adjournment**

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

**Approved this 26th day of June, 2024:**

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

David Bedwell, President

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

Amy Richardson, Secretary