



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

ECONOMIC DEVELOPMENT COMMISSION

March 12, 2024

Members Present:

Josh DeArmitt	President
Shawn Taylor	Vice President
Eric Luegers	Secretary
Lee Hodgen	Member
Lisa Jones	Member

Others Present:

Dana Monson	Community Development Specialist
Ellen Fredbeck-Ramirez	Legal Counsel

Call to Order:

Josh DeArmitt called the meeting to order at 8:04 a.m.

Roll Call & Determination of a Quorum

Approval of Minutes

November 14, 2024 Meeting Minutes – Eric Luegers made a motion for approval of the minutes. Lee Hodgen seconded. Passed unanimously, 5-0.

Old Business

New Business

Election of Officers

President – Josh DeArmitt
Vice-President – Shawn Taylor
Secretary – Eric Leugers

Mr. Hodgen moved to keep the current slate of officers. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-02: Franklin Tech Park 21-09 – This is the building that houses Aisin. In 2021 they doubled the size of their facility. The abatement is for the real property portion. They are above their investment numbers. Mr. Hodgen moved to find in compliance. Shawn Taylor seconded. Passed unanimously, 5-0.

C 2024-03: B2S Life Sciences 20-05 – They have purchased well above their numbers for equipment. Salaries and employment are well above. They are continuing to hire. Mr. Taylor made a motion to find in compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-05: Caterpillar Remanufacturing 10-15 – They are at the end of their abatement, so in a partial abatement. They are a little below their employment and investment numbers and up in wages. They

made some additional investments without requesting additional abatement. Mr. Hodgen asked if they were moving a portion of the business elsewhere. Dana Monson responded that they reduced some of their work and changed to a different line. Mr. Hodgen moved for compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-06: Dualtech 23-11 – This is for the personal property. They have until the end of 2025 to complete this new building. Ms. Monson predicts they will be fully operational by the end of 2024. They have already started hiring. Mr. Luegers moved to find in compliance. Lisa Jones seconded. Passed unanimously, 5-0.

C 2024-06: Laugle Properties 23-10 – This is the real property portion. They are the owner of the building occupied by Dualtech. They have until the end of 2025. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-07: Energizer Holdings 19-08 – They made an announcement last fall that they are moving their \$58 million packaging operation out of Franklin. They have leased this building from building owner Sunbeam Development. They asked for a year's extension during COVID-19. They never made their full investment and employee numbers. All batteries will be shipped back here, and DHL still in the facility will continue to handle distribution of the batteries. Energizer will move out of the building by the end of April. The city recommends finding them out of compliance. Attorney Ellen Fredbeck-Ramirez presented legal steps. Today's finding should be in or out of substantial compliance. If they are found not to be, Energizer is then invited to the next meeting for a public hearing. Energize has the opportunity to present additional information and plead their case. The final decision on compliance would be made at that meeting and the county notified. Mr. Taylor moved to find out of compliance. Ms. Jones seconded. Passed unanimously, 5-0. Energizer will be invited to attend the April meeting.

C 2024-12: Patch Development 17-10

C 2024-13: Patch Development 21-11

These are for the same building, originally the Franklin Shell building on Linville Way, and for real property only. One abatement was for the original building and the second abatement was for the build-out. Mr. Luegers moved for compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-15: GMI Corp 22-21 – Part of the equipment was installed but did not meet their quality standards. GMI has stopped the project and is in a lawsuit against the equipment provider. GMI reached out to Franklin to ask for the abatement to be rescinded. Attorney Fredbeck-Ramirez identified a similar legal process as Energizer, but since GMI is voluntarily asking for the abatement to be rescinded, they will not need to present at the next EDC meeting. Ms. Jones moved to find non-compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-17: Chartlife 14-09 – This was originally Hetsco bought out by Charlife and was the first shell building on Graham Road. This is the last full year of their full abatement. The next two years will be partial abatements. Mr. Hodgen moved for compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-18: IBC Advanced Alloys (Non Ferrous Products) 21-02 – Real Property

C 2024-19: IBC Advanced Alloys (Non Ferrous Products) 21-05 – Personal Property

Investment numbers are above and employee numbers are down by 17, but they sent a deficiency letter of explanation. They have a high turnover rate and require a very specific skill set. Their hourly wage is very good at over \$30/hour. Mr. Hodgen moved to find both in compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-20: Innovative 3D Manufacturing 21-17 – This is a very successful startup from Franklin. All their numbers are above. Mr. Luegers moved for compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-21: MTEA 13-07 – This is for personal property. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-22: MHICC 13-06

C 2024-23: MHICC 13-29

Both of these are for real property and were awarded to bring MTEA to Franklin. Mitsubishi Heavy Industries moved out of the facility which has affected the numbers for these abatements. The abatements were to attract and retain MTEA. Both of these abatements are partial at this time. Mr. Luegers moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-24: MTEA 23-20 – This was for the newest line just now being put in. The full investment should be made by year's end. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-25: Nitrex 11-02 – This is now in a partial abatement. Mr. Taylor moved for compliance. Mr. Luegers seconded. Passed unanimously, 5-0.

C 2024-36: Overton Industries (Tube Forming) 16-21 – There is one year left on this abatement. They came before the commission two years ago. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-37: Overton Industries (Tube Forming) 22-01 – Mr. Luegers moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-39: Pure Development 21-28 – This was a spec building built by Peterson Group and sold to Pure Development two years ago. It is completed and being marketed now. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-40: Rapid Prototyping 18-01 – This was the first abatement from when Rapid Prototyping first moved to Franklin. Mr. Luegers moved for compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-41: Rapid Prototyping 19-10 – This abatement was for their second project, adding more lines. They are above in all their numbers. Mr. Hodgen moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-43: Airtomic 18-11 – They have almost doubled their employment numbers and are above all their other numbers as well. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-44: Shelby Gravel 20-17

C 2024-45: Shelby Gravel 20-18

They are above all numbers. Mr. Hodgen moved for compliance on both cases. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-46: Sunbeam Development 17-15 – This is for real property for the building currently housing Energizer. It was for their original investment in] the spec building.

C 2024-47: Sunbeam Development 19-07 – This is for the buildout. DHL will take over the building and another third-party logistics company is being considered to share the space. Mayor Steve Barnett added that this building has paid over one million dollars in taxes. Mr. Taylor asked if DHL had asked for any abatement, and Ms. Monson informed him that they had not.

Ms. Jones moved for compliance on both cases with a second from Mr. Luegers. Passed unanimously, 5-0.

C 2024-48: Sunbeam Development 20-10 – This was built as a spec abated to attract an occupant. Mr. Taylor asked what Amazon spent to renovate. Ms. Monson suggested probably double. Mr. Taylor asked if there was any timeline. Ms. Monson explained they are in and Mayor Barnett stated their goal is to be fully staffed by the end of the year. Mr. Luegers moved for compliance. Ms. Jones seconded. Passed unanimously, 5-0.

C 2024-49: Sunbeam Development 23-05 – The building is being currently marketed. They are discussing with Franklin plans for their next building. Mr. Luegers asked what the expectation is for a lease when a building like this becomes available in Franklin. Ms. Monson explained that a specific timeline is usually not given, but aggressive efforts take place and are monitored. They are also carefully vetted before granting an abatement. Ms. Jones moved for compliance. Mr. Taylor seconded. Passed unanimously, 5-0.

C 2024-50: Superior Systems 17-11 – This is the last year for this abatement. It is a local company. Mr. Taylor moved for compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-51: Electro Spec 12-07 – This is a well-known, long-standing Franklin company. They are low in employment numbers and have been since their beginning with high turnover. The job quality and wages are strong. They have made additional investments that have never been abated. They are currently in partial abatement. Mr. Luegers moved for compliance. Mr. Hodgen seconded. Passed unanimously, 5-0.

C 2024-52: Dae Chang Seat Company – This project was to make seats for Subaru, but has never come to completion. It was to be completed by December of 2023. They own the property but are not maintaining so the city has been mowing. Staff does not recommend finding in compliance. Attorney Fredbeck-Ramirez counseled that a motion needs to be made today regarding compliance. They would have to come back before the commission for a future ask. Mayor Barnett added that when billed for the city's maintenance of the 40 acres, Dae Chang did pay the invoice. Mr. Luegers moved to find in non-compliance. Mr. Taylor seconded. Passed unanimously, 5-0. They need to be instructed to come before April's hearing.

Other Business

EDC Fees 2024 – \$90,257 has been received and is available for non-profits operating within the city limits of Franklin and focused on an economic development project. Ms. Monson will prepare the application and have it for review at the April meeting.

The next meeting is scheduled for 8 am on April 9, the day after the eclipse. Discussion was held and the determination was made that the meeting would stay as scheduled.

Ms. Jones thanked Ms. Monson for her work.

Adjournment

There being no further business, a motion for adjournment was made by Mr. Luegers with a second from Mr. Hodgen. It passed unanimously, 5-0.

Respectfully submitted this 9th day of April 2024,

Joshua DeArmitt, President

Eric Leugers, Secretary