



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

MINUTES

REDEVELOPMENT COMMISSION

May 21, 2024

Members Present:

Richard Wertz	President
Anne McGuinness	Vice President
BJ Deppe	Secretary
Paul Buening	Member
Josh Prine	Member
Kristi Ott	School Board Representative

Others Present:

Krista Linke	Community Development Director
Dustin Huddleston	Legal Counsel

Call to Order:

Richard Wertz called the meeting to order at 8:00 a.m.

Roll Call & Determination of Quorum

Approval of Minutes – Josh Prine made a motion to approve the April 16, 2024 minutes. Anne McGuinness seconded. Passed unanimously, 5-0.

Approval of Claims – Ms. McGuinness made a motion for approval. Mr. Prine seconded. Passed unanimously, 5-0.

Old Business

New Business

Notice of No Excess Assessed Value – Krista Linke explained this to be an annual requirement. It is a notice to all other taxing entities in Johnson County as to whether there is any excess TIF. There are two bonds obligated to two different TIF districts. Attorney Dustin Huddleston added that it is a notice that states the city is retaining all the monies by the appropriate funds. BJ Deppe made a motion for approval. Paul Buening seconded. Passed unanimously, 5-0.

Economic Development Agreement with Malarkey Roofing – David Wachsmuth, vice president of finance, gave an overview of Malarkey Roofing headquartered in Portland, Oregon. They have deemed Indiana to be a prime location for them to target the Midwest and believe their product to be well-suited for the region. They focus on residential roofing. He cited the reasons for their desired Franklin location to be the interstate system, proximity of 3-500 miles from potential customers, the Midwest

culture, layout and specific access of the site, the rail system, good local labor and the business friendliness. He also explained the specific site development plans for the Franklin property. Their investment is over two million dollars, and they plan to offer 200 jobs. They hope to break ground later this year with product being shipped out in 2026. They provide competitive salaries and good benefits. They will continue to invest in the site. And they involve themselves in the local community by volunteering and donating.

Mr. Wertz asked if basically their primary market from this location is the Midwest. Mr. Wachsmuth explained that the primary market for this location is the Midwest. But they see the potential for two lines at the Franklin site which would allow Malarkey to seed the market on the east coast as well where they would eventually like to build another plant. The Franklin location would free up their Oklahoma location from having to supply the Midwest. Mayor Steve Barnett expressed his support of Malarkey and their move to Franklin. He highlighted discussion held at last night's City Council regarding any environmental concerns. He also explained the RDC's development efforts in this area and the partnership with Malarkey in the city's development of two roundabouts and bypass work to make the entire industrial area truck and traffic friendly. Malarkey will be involved with building Essex Drive at \$3-5 million dollars. They will also invest a maximum of two million dollars in Paul Hand Road which is estimated to cost \$2.5 million. The EDA is not yet complete. Ms. Linke explained that the timing of the payment of the two million dollars to the city is yet to be finalized. Mayor Barnett identified that those monies will be put in a fund administered by Franklin's Clerk-Treasurer rather than in escrow. He also reported that the tax abatement details were addressed at last night's City Council meeting as well. After a 10-year abatement, Malarkey will be paying and also saving approximately \$12 million dollars over the length of the 10 year abatement. Ms. Linke identified a comparison exhibit Dana Monson prepared of assessed value and abatement numbers. She also explained the difference between the real and personal property abatement estimates. Personal property is not captured in Franklin's TIF district unless designated, and it will not be considered for this project. The schedule is for a finalized draft agreement distributed well in advance of the June RDC meeting for approval. Mr. Deppe asked if a special meeting in a week or two would help. Mayor Barnett did not believe that was needed unless Malarkey requested that. They do not have a closing date yet.

Other Business

Tax Impact Analysis Presentation – June 18th Meeting – Jeff Peters will present. This is a yearly requirement. Mr. Peters will also present to the City Council the evening before. Ms. Linke will formally invite all the taxing entities to both presentations. She also sends them a copy of the report.

April 2024 Financial Reports –

Integrated TIF – Through April, interest received is \$14,771. Estimated cash balance if all resolutions are spent by year's end is \$3,009,418.

US 31 TIF District – Cash balance and remaining appropriations would leave approximately \$655,000 at yearend.

May 2024 Cash Flow Analysis Worksheet – Ms. Linke made a few project and resolution updates and changes to the report.

Public Comment and Announcements

Rosie Chambers announced the Chamber’s receipt of a \$30,000 EDC grant to give out grants to local small businesses.

Mayor Barnett pointed out that such funding as Ms. Chambers reported come from the companies receiving abatements.

Dana Monson announced Strawberries on the Square this Friday.

Christian Maslowski expressed gratitude to the Centerpoint Energy Foundation for receipt of a grant to help fund teacher externships to local businesses this fall.

Mark Richards announced the start of paving season and cautioned everyone to be careful and look out for the workers.

Les Tabling highlighted a downtown business owner’s disgruntlement about the watershed as communicated on her business page, complaining of taking farmland and building warehouses. She received many comments in agreement. Mr. Tabling suggested a document or video explaining tax abatements.

Anne McGuinness asked when Iozzo’s opens. They state August, but Ms. Linke believes the more likely opening will be in the fall or later, but the plan is still for this year.

Kristi Ott announced that school is out today and graduation is Saturday.

Adjournment

Respectfully submitted this 18th day of June, 2024.

CITY OF FRANKLIN REDEVELOPMENT COMMISSION

Richard Wertz, President

Anne McGuinness, Vice President

Brian J. Deppe, Secretary

Paul Buening, Member

Josh Prine, Member