HISTORIC FRANKLIN TENNESSEE

City of Franklin

109 3rd Ave S
Franklin, TN 37064
(615) 791-3217

Meeting Minutes

Work Session

Tuesday, October 8, 2024 | **5:00 PM** | **Board Room**

CALL TO ORDER

Mayor Ken Moore called the meeting to order at 05:00 PM

Board Members Present: Ann Petersen, Greg Caesar, Brandy Blanton, Clyde Barnhill, Beverly Burger, Patrick Baggett, Jason Potts

Board Members Absent: Matt Brown

Staff Present: Eric Stuckey, Kristine Brock, Vernon Gerth, Shauna Billingsley, Angie Skarp

CITIZEN COMMENTS

Comments on agenda items may be made in person at City Hall or by emailing recorder@franklintn.gov before noon on the day of the meeting. Comments will be submitted for the record.

WORK SESSION DISCUSSION ITEMS

1. **Status Update And Discussion Of Progress On Development Of Bousquet Place AKA The Hill Property**

Sponsors: Vernon Gerth, Tom Marsh, Kathleen Sauseda

Eric Stuckey, City Administrator, introduced the item and reminded the Board that on July 29, 2022, the City of Franklin and The Franklin Hill Project, LLC executed COF Contract No. 2022-0189, Letter of Intent - The Hill Property. Per the Letter of Intent (LOI), the City declared its intent to implement the selection of The Franklin Hill Project, LLC, to be the potential new owner of City-owned property known as "The Hill Property," located at 403 and 405 5th Avenue North.

The LOI established an expected timeline for progress of the project including deadlines for certain milestones. If any of the deadlines are not met, the LOI states that the LLC may request and receive additional time to meet such deadline only at the discretion of the BOMA. The LLC and their design team have been working on design and seeking approvals for the project, but the project is behind the originally anticipated schedule.

Tom Marsh, Building and Neighborhood Services Director, explained that during the last discussion, there was a desire for the Franklin Hill Project, LLC, to share updated information on anticipated costs for the development and the amount of financial assistance the LLC might need from the City to fully execute the plan for the development. As the project has progressed, it has become evident that The Franklin Hill Project, LLC will require funding assistance from the City in the amount of $5,161,832.10.

Derwin Jackson from the Franklin Housing Authority was present on behalf of the LLC to answer any questions from the Board. He explained the updated expected costs for the development and anticipated revenue sources to cover those costs.

Alderman Blanton expressed her continued support for the intention of this project, but she was surprised by the financial request from the City in excess of the CDBG funds. She was concerned about the precedent that would set for other affordable housing development projects.

Alderman Caesar asked if there were any other funding tool options that the City could provide that perhaps

are not reflected in this presentation?
Answer: Mr. Stuckey explained that the expected CDBG funds from the City for this project are reflected on the balance sheet. He did note that there is an opportunity to discuss with the County why the previously committed ARPA funding was pulled for this project. He also discussed the potential for finding additional partners on this project. However, there is still a lot of work to be done before Staff would recommend this development.

Alderman Potts agreed that there is still a lot of work to be done on this project. He proposed the idea of a phased-in approach towards the development of this project.

Alderman Baggett noted that the impact fees presented are based on current fee structures. He would love to know what the new road impact fee projection would be for this project. Additionally, he argued that the size of this funding assistance request should be an indication to the Board of why we do not have affordable housing options in Franklin. It is not fiscally responsible for developers to take these on. He believes that the Board has the ability to make changes internally that can make affordable housing projects feasible. We need to figure out how to make this sustainable, so we can have more than 33 for-sale units in the long term.

Alderman Barnhill expressed disappointment in the size of the funding assistance request for this project.

Alderman Burger discussed the diversity of housing options to anticipate in this development plan. She confirmed that the development plan was created under current Planning and Code requirements.

Mayor Moore asked about the structure of the mortgage from Pinnacle Bank. He also commented that the bottom line cost to build of ~$9M is a red flag, and he pointed out that a $150,000 stipend request from the City per unit is hefty. He considered: could those funds be better used for affordable housing elsewhere in our community?

2. ***Consideration Of Amendment 1 To COF Contract No. 2024-0092, An Agreement And Memorandum Of Understanding Among The City Of Franklin, Tennessee, The Battle Of Franklin Trust And Franklin's Charge, Inc**

Sponsors: Eric Stuckey, Kristine Brock, Lisa Clayton

Mr. Stuckey introduced the item. He explained that this amendment establishes an updated payment schedule for the recently purchased property adjacent to Roper's Knob.

The item is planned for the October 8, 2024 Board of Mayor and Aldermen Meeting for consideration.

3. **Consideration Of COF Contract No. 2024-0188, With Short Properties, GP For Parkland Impact Fee And Construction Agreement For Armistead PUD**

Sponsors: Lisa Clayton, Heather Eusebio

Lisa Clayton, Parks Director, introduced the item. She explained that for the Armistead PUD, the total Parkland Impact Fee is $3,602,448.00. Approval of this Parkland Impact Fee Contract and Construction Agreement should align with the development approval process.

The item is planned for the October 22, 2024 Board of Mayor and Aldermen Meeting for consideration.

4. **Consideration Of Resolution 2024-81, A Resolution Amending The Haven At Cool Springs PUD Subdivision To Extend The Vested Rights, For The Property Located North Of Cool Springs Boulevard And East Of Mack Hatcher Parkway, Located At 151 Cool Springs Boulevard. Establishing A Public Hearing On November 12, 2024**

Sponsors: Emily Wright, Amy Diaz-Barriga, Joseph Bryan

Joseph Bryan, Principal Planner, introduced the item. He explained that the development plan for the Haven at Cool Springs PUD was approved by BOMA on December 14, 2021. The plan includes 39.44 DUA and 8,595 square feet of nonresidential space for a site that is composed of 7.53 acres. Staff recommended approval, with conditions, of the overall Development Plan. BOMA approved the Development Plan by a vote of 8-0. This plan is within the first three-year period and is vested until December 14, 2024. The applicant has an approved site plan for the property, but it has not yet pulled any permits for the site.

Mr Bryan did make sure to point out that the development plan does not comply with today's Envision Franklin, adopted in May 2024. Today's Envision Franklin still places this property in Regional Commerce, but limits the height on this stretch of Cool Springs Boulevard to only four stories, as per Appendix E, Interstate Corridor Building Heights. The current plan is approved for 6 stories. In comparison, the approved project to the east, at 201 Cool Springs Boulevard, has a maximum height of four stories (70 feet).

Alderman Caesar was wary of the amount of vesting rights extension requests because he did not want developers to expect that they would be rubber-stamped. In the case of this development plan, he believes the Board has an opportunity to make sure this development plan fits within the new Envision Franklin guidelines.

Alderman Baggett asked for a reminder of what the state law recommends for vesting right extensions. Answer: Mr. Stuckey explained that the law states the Board gets to determine whether the project is still in the best interest of the community. It is up to the Board to hold it to current Envision Franklin standards if you so choose. In the case of this development plan, it does align with current Envision Franklin guidelines.

Alderman Potts believes that this is an opportunity to adhere to what the public wants as reflected in the new Envision Franklin guidelines. Hence, he does not think he will support a vested rights extension.

Alderman Petersen noted that this development is in the flood plain.

The item is planned for the November 12, 2024 Board of Mayor and Aldermen Meeting for consideration for Public Hearing.

5. **Consideration Of Resolution 2024-82, A Resolution Initiating The Annexation Process And Draft Plan Of Services, For The Possible Annexation Of 17.4 Acres, Located North Of Clovercroft Road And West Of John Williams Road, At 4038 And A Portion Of 4040 Clovercroft Road. Establishing A Public Hearing On November 12, 2024**

Sponsors: Emily Wright, Amy Diaz-Barriga, Chelsea Randolph

Chelsea Randolph, Planner, introduced the item. The property being considered is located north of Clovercroft Road and west of John Williams Road, at 4038 and 4040 Clovercroft Road. 4038 Clovercroft is currently vacant and owned by Thales Academy, while Franklin Christian Church is located at 4040 Clovercroft Road and is selling a portion of 4040 Clovercroft Road that the applicant is requesting as part of this annexation into the City. These properties are noncontiguous to the City limits and are within the City's Urban Growth Boundary (UGB). The properties are within the Mixed Residential Design Concept as defined by the Envision Franklin Land Use Plan.

It is the intention of the applicant to develop approximately 10 single-family residential homes using the land at 4038 Clovercroft Road and a portion of 4040 Clovercroft Road. These properties were brought forward for annexation initiation in December 2023, and the annexation initiation was not approved by the Board of Mayor and Aldermen. 4038 Clovercroft Road was granted sewer availability for 1 single family unit equivalents (SFUE) in 2020, contingent on a signed and recorded annexation agreement that is now expired. There is also an annexation agreement for the property located at 4040 Clovercroft Road. If the developer would like to include a portion of the church property into their development of 4038 Clovercroft, Staff recommends that the entire parcel, inclusive of the church, be annexed into the city, as CI (fitting of a church). Then, once annexed, the church shall subdivide under the City regulations. Once subdivided, the new lot could be consolidated into the proposed subdivision of 4038 Clovercroft through a PD. Annexing the entire 4040 Clovercroft property allows for a more cohesive review of the future proposed development at 4038 Clovercroft and the specified portion of 4040 Clovercroft, especially with regard to access points, traffic circulation, and utilities.

Should the BOMA not wish to proceed with annexing all of 4040 Clovercroft and wishes to only annex the specified portion, the area of land to be included in this annexation must be subdivided prior to annexation, to ensure that County standards for the remaining land (and associated site plan) can still be met.

The Plan of Services outlines how the City will serve the properties requesting annexation and any additional infrastructure that would be required for new development. This property is in the Watson Branch Drainage Basin, which is almost entirely composed of city properties. This property is one of the few remaining to be annexed. As such, this drainage basin was not studied as part of the Annexation Capability Analysis. Staff generally recommends that properties in this area should be annexed, when requested by the property owner, to help complete existing voids in the City limit boundaries.

Public Comment:
John Williams, 1041 John Williams Road, Franklin, TN, does not support the annexation of 4038 and 4040 Clovercroft Road. He provided the Board with a petition from his neighbors who also do not support this item moving forward.

Board Comments:
Alderman Burger commented that if the City does not annex, then it would likely be developed in the County. The applicant was asked to provide further clarification.

Rob Marrero, applicant, was present. He clarified that the process started in the County; however, the guidelines under which it develops hinges on sewer availability. Since city sewer is available, the City would have to deny that for them to develop in the County and operate on septic tanks. He added that he is not pursuing a high density development. Each lot is designed to be 0.8 to 1 acre as it stands.

Alderman Potts recognized that this was a request for annexation, but he was curious if there was a development plan tied to it yet for Board review?
Answer: Ms. Randolph explained that at this stage, there is not. The Board's vote whether to initiate annexation will determine if the applicant moves forward with the time and cost associated with creating a development plan.

Public Comment Continued:
Barb Cramer, 1035 John Williams Road, Franklin, TN, reiterated that the property surrounding this proposed development is all in the County. She does not support annexation.

The item is planned for the November 12, 2024 Board of Mayor and Aldermen Meeting for consideration for Public Hearing.

6. **Update Of Consideration Of Ordinance 2023-41, An Ordinance To Amend Chapter 4 Of Title 16 Of The Franklin Municipal Code, Concerning Road Impact Fees**

Sponsors: Vernon Gerth, Paul Holzen, Michael Walters Young

Mr. Stuckey, Michael Walters Young, and Katherine Harelson introduced the item. After the last presentation to the Board of Mayor and Aldermen on September 8th, staff went back and re-ran possible scenarios on anticipated Road Impact fee revenue collections and unrealized Road Impact fee revenue from various methods of phasing in and grandfathering existing projects as they pertain to Ordinance 2023-41.

Mr. Walters Young explained that since the last meeting, we have calculated 11 different scenarios (now labeled Scenarios A-K). There are ten internal scenarios and one external, as requested by the development community. Though each are different, the key variables in each are:

1) Phase-in for new projects would be in increments of 3, 4 or 5 years.
2) Grandfathering is assumed over 5, 8, or 10 years.
3) Future development activity assumes the same as the previous five years of audited development activity.
4) As grandfathered projects are built, the proportionate share of impact fees collected would drop and be replaced by new projects.

The categories of scenarios are organized by years of phase-in:

Three(3) Year Phase-In
Scenario A: 3 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In
Scenario B: 3 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In
Scenario C: 3 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Four (4) Year Phase-In
Scenario D: 4 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In
Scenario E: 4 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In
Scenario F: 4 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In

Five (5) Year Phase-In
Scenario G: 5 Year Phase-In of New Fees with 5-year Grandfathering vs. Phase-In
Scenario H: 5 Year Phase-In of New Fees with 8-year Grandfathering vs. Phase-In
Scenario I: 5 Year Phase-In of New Fees with 10-year Grandfathering vs. Phase-In
Scenario J: 5 Year Phase-In of New Fees with No Grandfathering
Scenario K (Development Community): 5 Year Phase-In of New Fees with Grandfathering

Board Preferences:

- Mayor Moore: 4-year phase-in, 5-year grandfathering (Scenario D)
- Alderman Barnhill: 3-year phase-in, no grandfathering
- Alderman Potts: 5-year phase-in, 5-year grandfathering (Scenario G; could go for scenario F as well)
- Alderman Petersen: 5-year phase-in, 10-year grandfathering (Scenario I)
- Alderman Caesar: 4-year phase-in, 8-year grandfathering (scenario E); full implementation by Jan 2028
- Alderman Burger: 5-year phase-in, 10-year grandfathering (Scenario I)
- Alderman Baggett: 4-year phase-in, 8-year grandfathering (Scenario E)
- Alderman Blanton: 5-year phase-in, 10-year grandfathering (Scenario I; could be persuaded to do K (development community request)

Public Comments:
Alex Chambers, 1080 Stockett Drive, Nashville, TN, representative of the development community, requested the phase-in be as long as possible and be reasonable in the length of grandfathering.

Rachel Blakchurst, PO Box 3141, Brentwood, TN, echoed Mr. Chambers and encouraged the Board to use this as a standard of practice for new impact fees moving forward.

Ralph Knauss, Franklin, TN, reminded the Board that about 85% of revenue to the City is sales tax revenue and this is driven by the development community. Hence, if you cannot support the development community and they choose to do business elsewhere, the sales tax income stream will decrease, and the community will falter. He continued to encourage the Board to get creative with alternatives aside from raising impact fees.

The item is planned for the October 22, 2024 Board of Mayor and Aldermen Meeting for consideration for Public Hearing and Second Reading.

7. ***Consideration Of Ordinance 2024-28, An Ordinance To Establish A No-Parking-Anytime Zone Along The Southerly Extents And Around The Cul-De-Sac Of Bizerte Court**

   Sponsors: Paul Holzen, Adam Moser

   The item was acknowledged and is planned for the October 8, 2024 Board of Mayor and Aldermen Meeting for consideration for First Reading.

8. **Consideration Of Change Order 3 To COF Contract No. 2022-0114, With Dement Construction Co, LLC For Harlinsdale Farm Multi-Use Path And Pedestrian Bridge (COF Project No. 2017-018 / TDOT PIN 126630.00) For A Cost Increase Of $67,688.70**

   Sponsors: Paul Holzen, Jonathan Marston, David Hodnett

   The item was acknowledged and is planned for the October 22, 2024 Board of Mayor and Aldermen Meeting for consideration.

9. **Consideration Of COF Contract No. 2024-0289, With Truland, LLC (The Middle Eight PUD Subdivision) For A Development Agreement For An Amount Not To Exceed $375,000**

   Sponsors: Paul Holzen, Jimmy Wiseman

   The item was acknowledged and is planned for the October 22, 2024 Board of Mayor and Aldermen Meeting for consideration.

10. **Discussion Of City Hall Commercial Space Options**

    Sponsors: Alderman Patrick Baggett

    This item will be discussed at a later Work Session.

OTHER BUSINESS

ADJOURN

Work Session Adjourned @ 6:59 PM

Dr. Ken Moore, Mayor

Minutes Prepared by Sarah Schilling, Assistant Deputy City Recorder, City Administrator's Office - 10/14/24, 10:44 AM