



**HISTORIC
FRANKLIN
TENNESSEE**

**CITY OF FRANKLIN
DEVELOPMENT SERVICES ADVISORY COMMISSION**

A meeting of the Development Services Advisory Commission was held at Eastern Flank Battlefield Park Event Facility, on Tuesday, February 4th, 2025, 8:00 am – 9:00 am.

Committee Members

Matt Bryant, Chair	P
Robert Winston, Vice Chair	P
Kate McDonald	P
Nathan Zipper	A
Ben Crenshaw	P
Scotty Bernick	P
Mary McGowan	P
Paige Parham	A
Dana Kose	A
Michael Walters Young	P
Matt Brown	P

Employees Present

Vernon Gerth, Assistant City Administrator
Emily Wright, Director of Planning & Sustainability
Jimmy Wiseman, Asst. Director of Engineering
Amy Diaz-Barriga, Asst. Director of Planning & Sustainability
Bill Squires, Assistant City Attorney
Melodie Brady, Surety Coordinator
Katherine Harelson, Dev. Services Ops. Analyst

The purpose of the regular meeting will be to discuss matters regarding Development Services and will include the following items:

Matt Bryant, Chair began the meeting at 8:00 am.

1. Approval of Minutes/Review of Meeting Notes from November 11, 2024, meeting.

- Meeting minutes were approved by acclamation.

2. Recommendation to Add Insurance Bonds as an Option for Site Work Completion.

- Amy Diaz-Barriga began her presentation by recapping the process this item has gone through over the last couple of months. It has been requested that the City add surety bonds as an option for site improvements. At this time, the Zoning Ordinance does not allow for this option.
 - Staff is moving towards supporting this change, but it is important to get the Commission's input and, hopefully, recommendation to the Board of Mayor and Aldermen.
 - Staff has also reached out to Metro Nashville, who use both letters of credit and surety bonds frequently. They notice that bonds are utilized more often for larger projects.

- Since the last meeting, Amy stated that she and Melodie Brady, Surety Coordinator, met with a bond agency to discuss how they operate.
 - The agency provided an AIA bond template, and they were able to compare it to the City's current letter of credit template to see if there are any standards the City has that need to be added to this document. Amy also added that staff spoke with an alderman on a potential minimum standard for bond ratings.
 - She was excited to see that there was an opportunity to reference performance agreements. The bond is just the monetary entity associated with the performance agreement. It had standard language that eliminated the need for auto renewal or extensions, and it was clear on the process if the owner defaults.
- What staff is recommending is to add some minimum provisions to a bond template.
 - The first is to add a provision that the bond is auto-renewing, like the letter of credit.
 - The second is to add a provision that states the City of Franklin is the beneficiary.
 - The third is that the financial institution is FDIC or NCUA insured, operates within the United States and complies with Tennessee state law.
 - The fourth is a minimum A rating from the bond agency.
 - The fifth is a method of calling the bond spelled out and the window of notice for staff.
 - Currently, the City requires that the financial institution have a location in Williamson County, however, this is an older requirement that staff can reconsider.
- Staff also has some policies in place that require the bank to provide staff with a 90- day notice if it decides not to renew the letter of credit with a developer.
- Matt Bryant asked if they should add that the FDIC has a monetary limitation.
 - Amy responded that staff will just check their website to make sure they are insured and there is no minimum monetary amount. Staff just wants to make sure the institution is insured.
- Robert Winston asked if Metro Nashville requires an A rating for the bond agency.
 - Amy responded saying that they don't know, but they will reach out to Metro and ask.
- Mary McGowan asked if there was a project already using surety bonds.
 - Amy responded that The Factory is requesting to use a surety bond as a Modification of Standard. The Board of Mayor and Aldermen haven't voted on it yet, but they have provided positive feedback to use this project as a test pilot for surety bonds.
- Robert asked if there is any downside to a bond agency not being located in Tennessee.
 - Bill Squires answered that there is really no difference from a legal standpoint having a bond agency headquartered in another state.
 - Michael Walters Young added that from a financial standpoint, it would probably be a good idea to make sure that the agency is located in the United States and is in compliance with federal and Tennessee state laws.
 - Amy and Vernon Gerth agreed that the A bond rating gives them more comfort than the Tennessee location requirement.
 - Scotty Bernick agreed that the rating is the key component, but the rest of the minimum provisions seems to make the process more efficient and convenient for the developer and staff.
- Ben Crenshaw asked if surety bonds will have to be adopted by the BOMA.
 - Amy responded that staff would put it in the Zoning Ordinance as an option, the Zoning Ordinance will need to be passed by BOMA. Once that happens, then staff can work on implementing the criteria.
 - Ben suggested to make the criteria for the surety bond and letter of credit the same just so it is consistent.

- Amy closed the discussion asking if this group was comfortable recommending adding surety bonds as an option for completing site work.
 - Ben asked when this change would go into effect.
 - Amy responded that it would be a part of the annual Zoning Ordinance update, so the effective date would be January 1st, 2026.
- Matt asks for a motion to recommend to the Board of Mayor and Aldermen.
 - Michael Walters Young made the motion, Mary McGowan seconded.
 - All approved by acclamation.

3. Discussion Regarding Role of City Staff from Development Customer Survey.

- Vernon started this discussion by updating the group on the survey presentation that was made to the Board of Mayor and Aldermen. Staff is working with the four participants who requested to meet with the Commission to get them scheduled for a meeting.
 - One of the biggest talking points from staff is around the role that staff plays in the development process. A lot of comments were about staff working more on problem solving which leads into getting involved in design.
 - If staff changed their role to meet the new expectations, that would come with cost implications such as adding staff.
- Jimmy Wiseman noted that it was a small sample size. Staff would really like to know specific negative feedback. If a design professional had a specific negative experience, staff wants to know about it sooner rather than later so it can be addressed effectively.
 - His question for the group is how can staff get that feedback more often.
- Matt Bryant added that when it comes to a role change for staff, there is a liability that comes with it. He believes that staff does a really good job, and the design professional has time to interact with the different departments. Maybe, staff could add another "pre-app style" meeting after initial submittal. It might be difficult given the current timeframe, but staff has always been available to talk about projects.
 - Vernon said that our team is always willing to go out and collaborate on solving a problem. The line is drawn when it comes to designing plans. Staff's goal is to make sure the plan can be built safely.
 - Bill added that the worst thing you can have legally is the governing body doing a "design on the fly" scenario. That is because the design professional will build something a certain way because the "governing body said so." The second worst case scenario is when staff does the designing. There is a difference between designing and reviewing based on approved standards.
 - Michael said that staff gets these comments a lot. The question is the education piece. There are likely design professionals and contractors that are not familiar with Franklin's standards.
- Emily Wright said that it's difficult when staff doesn't know what is going on until the last minute. Maybe there is another mechanism staff can add for applicants to have discussions with staff to increase communication.
- Mary said that she didn't see the survey results, but she's never had an issue talking to staff. She talks to them frequently.
 - Amy agreed saying that staff received extremely positive responses in customer service and communication. The area that staff received negative feedback was more under responses.
 - Mary said that sometimes you do get a comment that is really vague, but then you can always reach out to staff to talk about the comment further.
- Scotty said that the survey results should be considered as a win. The negative comments might be coming from more complex projects. They may also not like the answer.

- It's a balance between timelines because Franklin is very predictable in when you submit projects and when you receive comments. The flip side is that the process is not spread out. Seasoned consultants know to reach out to staff ahead of time, but newer consultants might not. Clients can just get frustrated because approvals take longer than expected.
 - Vernon agreed, saying that staff could look into adding another meeting in the process. While that might push back the process, it could overall save time and money for more complex projects.
 - Scotty said one of the other complaints he hears from clients is more about policy rather than procedure. Policy isn't really on staff.
 - Amy said that we could look into setting different expectations for complex plans. There are projects that on its face would be very difficult to get approved in 45 days.
 - Aldermen Brown said that from the Board's perspective, they pretty much felt like the responsiveness wasn't related to this aspect of the process. Historic Zoning got a lot of complaints when they were down a few members. The Board has experienced more complaints in the last 6-8 months that inspectors are adding on inspections to their projects.
 - Jimmy added that there was a comment about fearing retaliation. There really needs to be a mechanism for a homeowner or contractor to notify a supervisor because that is a personnel issue.
 - Amy suggested that staff could request feedback from applicants soon after plans are approved. That way, everyone can engage in the conversation while it is fresh.
 - Vernon closed the meeting saying that staff will continue this conversation internally, and the Commission will be updated as conversations continue.
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- **Next meeting – Tuesday, March 4th, 2025**

4. Adjourn.