

**MINUTES OF THE WORK SESSION
BOARD OF MAYOR AND ALDERMEN
FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
TUESDAY, JUNE 12, 2018 – 5:00 P.M.**

Board Members

Mayor Ken Moore	P		
Vice Mayor Margaret Martin	P	Alderman Beverly Burger	P
Alderman Clyde Barnhill	P	Alderman Dana McLendon	P
Alderman Brandy Blanton	A	Alderman Ann Petersen	P
Alderman Pearl Bransford	P	Alderman Scott Speedy	P

Department Directors/Staff

Eric Stuckey, City Administrator	P	Jack Tucker, SES Director	P
Vernon Gerth, Assistant City Administrator	P	Lisa Clayton, Parks Director	P
Mark Hilty, ACA Public Works	P	Michelle Hatcher, Water Management Director	P
Kristine Tallent, ACA/CFO	P	Paul Holzen, Engineering Director	P
Shauna Billingsley, City Attorney	P	Emily Hunter, Planning & Sustainability Director	P
Deb Faulkner, Police Chief	P	Kevin Townsel, HR Director	P
Rocky Garzarek, Fire Chief		Joe York, Streets Director	P
Jordon Shaw, IT Director	P	Misty Foy, Assistant City Attorney	P
Chris Bridgewater, BNS Director	P	Lanaii Benne, Assistant City Recorder	P
		Linda Fulwider, Board Recording Secretary	P

Call to Order

Mayor Ken Moore called the Work Session to order at 5:00 p.m.

Citizen Comments

There were no citizen comments on items not on the agenda

WORK SESSION DISCUSSION ITEMS

1. **18-0554 Consideration of Event Permit for the Great Americana BBQ Festival sponsored by the Franklin Noon Rotary Club on August 24-25, 2018.**

Lisa Clayton, Parks Director

No questions or comments

2. **18-0555 Consideration of Event Permit for Franklin on the Fourth sponsored by the Franklin Lions Club in Downtown Franklin.**

Deb Faulkner, Police Chief

No questions or comments

3. **18-0556 Consideration of Event Permit for Bluegrass Along the Harpeth sponsored by the Williamson County Cultural Arts Commission on July 27-28, 2018 in Downtown Franklin.**

Deb Faulkner, Police Chief

No questions or comments

4. 18-0575 ★**Consideration of Certificate of Compliance RENEWAL for Wine in Grocery Store for Whole Foods located at 1566 West McEwen Drive, Franklin, TN 37067 (Heather D. Masullo, Managing Agent, Lauren Ashley Carr, Store Support Team Leader, Samuel Clark Harrison, Assistant Store Manager and Executive Officer Albert E. Percival)**

Lanaii Benne, Assistant City Recorder

No questions or comments

5. 18-0508 ★**Consideration of ORDINANCE 2018-26, An Ordinance to Amend Title 18- Water and Sewers of the Franklin Municipal Code for the Purpose of Providing Simplified Water and Sanitary Sewer Impact Fee Structure and Other General Housekeeping, and for the Purpose of Modifying Appendix A, Comprehensive Fees and Penalties in Support of the Modifications to Title 18.**

Mark Hilty, ACA Public Works

Michelle Hatcher, Water Management Director

There was a presentation and discussion at the last meeting. Just one piece of the job is being presented tonight. The first of two readings is on the voting session agenda. It involves combining four fees into two impact fees for water and for sewer. The goal is to complete this by the end of June to incorporate the blended fees at the beginning of the new fiscal year.

Presentation:

Description of Impact Fee

- System Development Fee (SDF) – Entity making connection to the public water system, which fee is made for the purpose of enabling the City to repair and replace its facilities (Water and Sanitary Sewer)
- Access Fee (AF) – Fee paid to the City for the purpose of providing funds for additions, replacements, improvements, and expansions to the City’s water distribution and sanitary sewer collection systems such improvements being required periodically for growth. (Water and Sanitary Sewer)
- Impact Fee = SDF + AF
- Effluent Disposal Assessment (EDA) Fee – Paid for the purpose of enabling the City to dispose of treated wastewater to repair, replace and expand its reclaimed water facilities, as necessary, and to reduce the impact of increased potable water demand on the Franklin Water System; not part of the impact fee discussion.

Existing Water and Sewer Fee Implementation Methodology

- Based on meter size and specific fund structure (does not include installation fee)
 - Can limit equitable assessment of fees depending on demands – impacts costs to developers and impact fee revenues for the City
 - Creates a natural incentive to downsize meters versus appropriate meter sizing.
 - Discourages the use of fire suppression systems
 - Unnecessarily complicated

Meter Upsize (inches)	% Fee Increase
0.75 to 1	300%
1 to 1.5	140%
1.5 to 2	33%
2 to 3	119%
3 to 4	43%
4 to 6	140%
6 to 8	25%

Impact Fee Fund Structure – Proposed Solution

- Consolidate Water and Wastewater SDF and Access Fees into a Water Impact Fee and Wastewater Impact Fee (moving from 4 fees to 2)
- The Proposed changes continue to restrict the use of impact fees for capital needs of the system while allowing for flexibility as capital priorities are identified.
- Consideration of ordinance that makes these changes for implementation by June 30, 2018.

Examples of Other Impact Fees – Found no other surrounding cities with impact fee structure.

Impact Fee Fund Structure – Proposed Solution

- Consolidate Water and Wastewater SDF and Access Fees into a Water Impact Fee and Wastewater Impact Fee (moving from 4 fees to 2)
- The Proposed changes continue to restrict the use of impact fees for capital needs of the system while allowing for flexibility as capital priorities are identified.
- Consideration of ordinance that makes these changes for implementation by June 30, 2018.

Summary of Title 18, Chapter 1 Revisions were explained, as well as Summary of Title 18, Chapter 2 Revisions.

Discussion:

- Alderman Petersen asked about impact fees for Enterprise Funds. Shauna Billingsley will follow-up.
- Alderman Barnhill: Combining 4 fees into 2 fees. Water and Sewer cannot be together because they are different systems with different costs.
- Water relates to growth. Sewer relates to collections and growth.
- New customers coming on will be paying for part of it.
- This item is about blending the 4 fees into 2 fees.

6. 18-0561 Consideration of a Request by the Franklin Housing Authority to have Road and Parkland Impact Fees waived or Offset and, other Development Commitments in Support of the Proposed Chickasaw Place 48 Unit Senior Housing Complex.

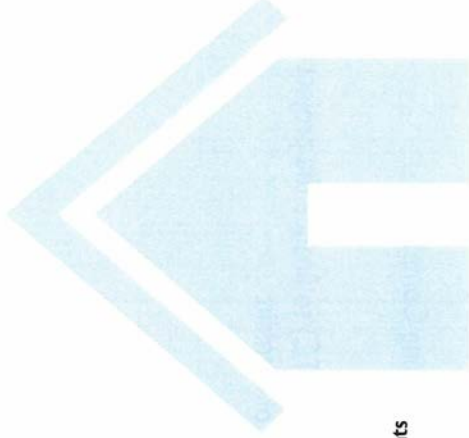
Eric Stuckey, City Administrator

Vernon Gerth, Assistant City Administrator

Derwin Jackson and Susan Minor, Franklin Housing Authority, were present for discussion.

The FHA presentation is on the following pages:

Consideration of Request by Franklin Housing Authority



Incentive Program for Residential Developments
funded with Low Income Housing Tax Credits

June 12, 2018

Franklin Housing Authority's Request

Consideration to Exempt or Offset Development Fees for Chickasaw Senior Community

- Proposed Project: 48 Unit Multi-Family Senior Housing Complex
- FHA will use Low Income Housing Tax Credits (LIHTC) to finance the project and requests the following assistance from the City of Franklin:
 - ~~Weiver (Offset) of Road Impact Fees~~
 - ~~Weiver (Offset) of Parkland Dedication Fees~~
 - \$150,000 from the CDBG Funds
 - PILOT (Payment in Lieu of Taxes) \$50 per unit.
- The Low Income Housing Tax Credit is a credit against Federal Income Tax Liability
 - Developments are restricted for 30 years to residents with incomes of 50% and/or 60% or less of the greater Nashville AMI.
 - Audits are conducted by the THDA to ensure compliance.

Current City of Franklin Housing Incentives for Not-for-Profit Organizations

- The City's Municipal Code Title 21 states that any certified 501(c)(3) organization developing or renovating low- or moderate-income housing are exempt from paying the following fees:
 - *Plan Review*
 - *Stormwater & Grading Permits*
 - *Building, Electrical, Mechanical, & Plumbing Permits*
- Williamson County waives the following fees for not-for-profit organizations and/or age restricted residential dwellings:
 - *Williamson County Education Impact Fee*
 - *Williamson County Privilege Tax*

Fee Comparison - Estimate of Exempt Fees Chickasaw Senior Community

City of Franklin Exempt Fees	Multi-Family Senior Community - 48 Units	One Single Family Unit - 1398 SF
Building Plan Review Fee - in house review	\$4,300	inc
Building Permit Fee	\$11,866	\$839
Electrical Permit Fee - estimated	\$9,056	inc
Mechanical Permit Fee - estimated	\$1,860	inc
Plumbing Permit Fee - estimated	\$1,999	inc
Technology Fee - estimated	\$100	\$60
COF Exempt Fees	\$29,181	\$899
Williamson County Exempt Fees		
Williamson County Education Facilities Impact Fee	\$54,960	\$1,145
Williamson County Privilege Tax	\$95,994	\$2,796
Total City and County Exempt Fees	\$180,135	\$4,840

Fee Comparison - Estimate of Payable Fees Chickasaw Senior Community

City of Franklin Payable Fees	Multi-Family Senior Community - 48 Units	One Single Family Unit 1398 SF
Water Tap Fees <i>Repurposed taps may be available</i>	\$62,185	\$2,870
Irrigation Meter	\$4,725	\$3,150
Fire Line Tap Fee	\$3,000	n/a
Sewer Tap Fees <i>Repurposed taps may be available</i>	\$113,065	\$5,234
Facilities Tax	\$34,078	\$1,244
Road Impact Fees - Arterial & Collector	\$251,184	\$8,251
Parkland Impact Fees	\$206,592	\$4,304
COF Payable Fees	\$674,829	\$25,053
Total City and County Exempt Fees	\$180,135	\$4,840
Total Fees - Exempt & Payable	\$854,964	\$29,893

New Housing Units Created

FY 2014 – FY 2018

	Funding Received *	# Units Built	# Units Pending
Franklin Housing Authority	\$275,826	70	
CHP	\$75,000	3	30 **
Habitat for Humanity	\$25,000	1	
Mt Hope - Hard Bargain	\$409,878	4	1
*Does not include exempt fees per Title 21 and Sewer & Water tap fee credits.			
**Project received fee exemptions (Title 21), but did not receive additional financial support from the CDBO or Affordable Housing programs.			

Possible Options

- 1) Status Quo: Require Payment of Development Impact Fees and Exempt Permit Fees per Municipal Code Title 21.
- 2) Create an Incentive Program, citywide, for any development that utilizes LIHTC. Road, Parkland, and Sanitary Sewer and Water Impact Fees would be offset through a transfer from the General Fund.
- 3) Same as (2), but limited solely to the FHA for Chickasaw and future phases.
- 4) Budget a fixed amount annually to offset Impact Fees on a first-come, first-served basis for projects using LIHTC or similar funding mechanisms.
- 5) Approve this request, or any part thereof, and continue to allow similar requests to be presented on a case-by-case basis.

- Mayor Moore noted the City's relationship with the FHA is different than other non-profits.
- Mr. Jackson added the FHA is a quasi-governmental agency but chartered by the State. The City of Franklin Mayor appoints board members.

- Alderman Bransford said the FHA invested wisely and partnered with the City on the Reddick complex. They can renovate as well because it is their land. A positive for the community in old areas of the City with old infrastructure. She asked if Mr. Jackson anticipated that for Chickasaw to which he answered yes, it is old infrastructure for this development and future ones. Alderman Bransford champions taking care of the older areas of City. CDBG funds related to infrastructure.
- Mr. Jackson related there are 300-400 people from Franklin and other areas on the waiting list. Additionally, 100 older residents are on the list for senior housing. They can't do without monetary help from the City and County. The FHA must come up with \$1.4 million to help fill some of the gaps.
- Alderman Bransford: The Hill project will ask for CDBG and non-profit dollars.

Staff will work on an Ordinance that is Chickasaw specific.

7. 18-0583 **★Consideration of Contract No. 2018-0092 Between the City of Franklin and State of Tennessee Department of General Services Relating to the Replacement of a Section of Sanitary Sewer on State Property in Anticipation of Developing the New Carter House Visitor Center.**

Eric Stuckey, City Administrator
Vernon Gerth, Assistant City Administrator

State funded project for the new Visitors Center at Carter Hill. City crews will do the work. State will reimburse up to \$100,000.

8. 18-0455 **Consideration of RESOLUTION 2018-37, A Resolution to Approve an Alternative Preliminary Design Concept for the 100-Block Battle Avenue Drainage Improvements Project and Authorize Staff to Complete Right-of-Way Acquisition, Final Design and Construction. (4/25/18 CIC recommended Option 2B to BOMA)**

Paul Holzen, Engineering Director

9. 18-0587 **Consideration of DRAFT RESOLUTION 2018-53, "A Resolution Authorizing Staff to Proceed with the Home Raising Project Developed by the United States Army Corps of Engineers as part of the Harpeth River Feasibility Study".**

Paul Holzen, Engineering Director
Jonathan Marston, Engineering Assistant Director
William Banks, Staff Engineer I

Items 8 and 9 relate to use of Stormwater Funds. A financial impact forecast relating to both projects was reviewed. How does the Board want to proceed with the two items? Significant projects have drawn the fund down.

Discussion:

- Alderman Petersen commented personnel and operations have increased greatly taking all the money coming into the fund.
- Mr. Stuckey added that street sweeping and other things have been assigned to the fund. All of these operational components are appropriate to charge to the Stormwater Fund. The Stormwater fee has not been adjusted since it was created in the early 2000s.

- The Engineering portion is used for the permit to discharge Stormwater, stream assessments, and help with bigger projects. Every road project has a Stormwater element.
- Alderman Petersen asked for a list of projects done the last 3-10 years.
- Vice Mayor Martin thought an alternative preliminary design concept for Battle Avenue had been decided. So much time was spend discussing that project.
- Those homes cannot be elevated in that area because they have basements.
- Reviewed list of Stormwater projects and which ones have been awarded or no decision made.
- No commitment made for the Battle Avenue Drainage Improvements or the Home Raising Projects.
- The list of homeowners wanting homes elevated through the Corps of Engineers project has grown. The net benefit of these projects should be determined.
- There are more projects than money.
- Mayor Moore commented it would be helpful if Engineering ranked the projects.
- Alderman Bransford said it would help to have more information and then prioritize the projects.
- There was a debate between Aldermen Burger and McLendon on not blaming the City, doing the two projects vs. the projects being reparations, and other projects the Board has supported in the City.
- Alderman Burger said that it isn't the jurisdiction of government to pay for these projects. The huge traffic problems should be fixed first. She is opposed to funding the program, but not opposed to enrolling in the 65% funded. Tell the residents about the cost sharing.

Citizen Comments:

- Dea Peach, 125 Ewingville Drive, Franklin: Property owners on Ewingville Drive want to participate even though they didn't qualify. They want to be reconsidered.
- Elbert Cox, 182 Lancaster Drive: Will hold his comments until there is some sort of resolution to this issue as to what the Corps and the City will do.

10. 18-0500 **Consideration of RESOLUTION 2018-40, To Be Entitled: "A Resolution Approving a Revised Development Plan for Riverbluff PUD Subdivision for the Property Located East of Lewisburg Pike and North of Holly Hill Drive." Establishing a Public Hearing for July 10, 2018.**

**Emily Hunter, Planning/Sustainability Director
Amy Diaz-Barriga, Current Planning Supervisor
Christopher Andrews, Principal Planner**

Emily Hunter introduced Christopher Andrews a new planner in the department.

There were no questions or comments on the item.

11. 18-0223 **★Consideration of RESOLUTION 2018-34, A Resolution Authorizing the City of Franklin to Assign Capacity Fees to Five Parcels that will Benefit from an Unplanned Capital Improvement to the City's Public Wastewater System for the Purpose of Recapturing the City of Franklin's Monetary Contribution**

**Toward Upsizing of Sanitary Sewer Infrastructure in the Area of Boyd's Mill.
(Ward's Mill)**

**Eric Stuckey, City Administrator
Vernon Gerth, Assistant City Administrator
Mark Hilty, ACA Public Works
Michelle Hatcher, Water Management Director
Jimmy Wiseman, Assistant Director Engineering**

This item was deferred in May to make sure all residents were fully informed. Vernon Gerth sent letters after the last meeting. Subsequently, there was a meeting with Lucile Rosenthal and then her attorney. The existing infrastructure in this area would not be sufficient to serve future development. It was determined the existing sewer system is at 80% capacity. TDEC mandates replacement of pipes that are at 80% capacity.

The developer has offered to contribute \$100,000 toward the \$350,000 estimated upgrade costs. A Capacity Fee of \$452.00 per residential dwelling unit and a capacity fee of \$84.00 per 100 square feet of commercial space would be applied to the four parcels when development or re-development occurs.

Citizen Comments:

- Lucile Rosenthal, 3111 Horton Lane, and Susan Joyner, 1275 Lewisburg Pike:
 1. What formula was applied in the model to ascertain the dollar figure for each unit recapture?
 2. They were told by staff that BOMA does not expect to recapture all the investment. What City fund is being used?
- Mr. Gerth: The City will contribute \$250,000 to the estimated \$350,000 of upgrades. Calculation: took the number of units likely to be built divided by \$250,000, and \$452.00 potential per residential dwelling unit. The City may not be able to capture all the cost.
- Mr. Stuckey: There are different costs associated with each development. The Sewer Fund is being used.
- Alderman Barnhill noted that this not going to Ward's Mill.

- 12. 18-0558 Consideration of ORDINANCE 2018-08, An Ordinance to Amend Ordinance 2013-50, Atmos Energy Corporation Franchise Agreement to Extend the Term for an Additional Ten (10) Years.**

Kristine Tallent, ACA/CFO

This amendment is to extend the existing agreement.

- 13. 18-0594 Discussion of Transition of Monthly Payment Dates for the City of Franklin Employee Pension Plan.**

**Eric Stuckey, City Administrator
Kristine Tallent ACA/CFO
Kevin Townsel, HR Director**

The Pension Committee discussed this situation at their last meeting. Currently, USBank issues payments to retirees the first of every month. TCRS pays the last business day of the month. The transition of this function of the closed pension plan to TCRS in January 2019 would mean retirees would be paid December 1, 2018 and

then not until January 31, 2019. Sixty days without pay to someone on a fixed income would be a hardship. One option was to make a 13th payment to retirees from the pension fund. This was not met with favor by the Pension Committee or BOMA. The software systems used by USBank and TCRS are not amenable to date changes. USBank is calculating a fee for this service. It is hoped the payments can be over a span of four months.

Additional information forthcoming.

14. 18-0562 Discussion and Consideration of Amending Section 9-201(2) of the Municipal Code as it Pertains to Itinerant Merchants, Specifically Food Trucks (Units), for the purpose of Clarifying the Length Time Transient Vendors are Allowed to Stage Their Units and Ancillary Equipment on Private or Public Property when Not Open for Business.

Eric Stuckey, City Administrator

Vernon Gerth, Assistant City Administrator

Shauna Billingsley and Molly Pike joined Mr. Stuckey and Mr. Gerth for this discussion.

Municipal Code: Chapter 2. – Peddlers, Solicitors, Etc., Section 9-208(2). – Limitations on use of streets and sidewalks, (c) Sale of drinks or other prepared foods and/or edible items upon public streets, sidewalks, highways and rights-of-way, except as may be regulated elsewhere in the Code.

- There are six permitted food vendors with more inquiries coming in. Licensed itinerant merchants can operate if they move their trucks/units every day after they close for business.
- Temporary or transient vendors aren't mentioned in the Municipal Code.
- Definitions:
 - ~ Itinerant merchant is any person who is authorized to engage in the giving away, selling or offering for sale goods, wares or merchandise from temporary or transient location with written permission of the private property owner. Temporary or transient location means from a stand, stall kiosk, trailer, and or vehicle that is intended to be temporary and removed from the property when not open for business (unless otherwise expressly permitted by the City). Includes ancillary equipment associate with the itinerant merchant including signs, table, chairs, marketing materials, set-ups and/or trash bins.
- A complete mobile food ordinance is needed. In the meantime, the Code should be tweaked.
- They may only operate on private property. The permit fee is \$50/year.
- There were some concerns the mobile vendors would take business away from downtown restaurants.

Citizen Comments:

- Mark Mogul, 9416 Gentlewind Drive, Brentwood: He owns Tiny Little Donuts and parks on private property in downtown Franklin. He is being cited. The vendors want to work with the City to comply. This is a growing industry. He is willing to work with the City on an ordinance.
- Lee Pepper, 1111 Barrel Springs Hollow, Franklin: Let's work together with the community government and the industry.

- Alderman Burger asked that staff initiate discussion with these two gentlemen regarding an ordinance.

Other Business

None

Adjournment

Work Session adjourned @ 7:04 p.m.

BOMA will convene @ 7:20 p.m.

Dr. Ken Moore, Mayor

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office 7/16/2018 1:46 PM