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February 8, 2013

VIA EMAIL: eric.stuckey@franklintn.gov & U.S. MAIL

Mr. Eric Stuckey
Franklin City Administrator
109 Third Avenue South
Franklin, Tennessee 37064

Re: Acquisition of Old, Old Jail Property

Dear Mr. Stuckey:

The purpose of this letter is to propose a negotiated process for conveyance of the Old, Old Jail, 112 Bridge Street, Franklin, Williamson County Tax Map 63N Parcel 64 (the “Property”) by the City of Franklin to The Heritage Foundation of Franklin and Williamson County, Tennessee (the “Heritage Foundation”), pursuant to the City’s authority, exercised through the Board of Mayor and Aldermen, under Section 5-802(3) of the Municipal Code.

Section 5-802(3) provides that “Upon a reasonable determination that the property does not exceed \$25,000.00 in value, or that there are other unique circumstances making a public advertisement and bid procedure impossible or impracticable, then the board, by resolution, may waive the requirements of public notice, and sealed bidding, and may sell or dispose of the property in question by negotiated contract, or by other means that will adequately protect the public interest.”

It is unclear whether the Property has a value of more than \$25,000, given the fact that much of the site is in the Flood Fringe Overlay and flood plain, development of the Property would potentially be more expensive due to the requirements of the Historic Overlay District, and that any reuse of the current improvements on the Property would require extensive biological remediation and restoration before any use.

However, we believe that BOMA could “reasonably determine” that there exist “other unique circumstances” that cause the bid procedure to be impracticable. These circumstances include:

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1. The building is in an advanced state of disrepair and is not currently usable for any uses. The roof, mechanical and electrical systems are fully deteriorated beyond the ability to repair. Windows, doors and other elements of the building require major repair, and, in most cases, replacement. Lead paint, mold and asbestos are present throughout the building and present real and significant health hazards. Photos of the existing state of the building are attached as Exhibit A. The cost of bringing the building up to minimal standards, even for minimally conditioned storage, are estimated at not less than \$300,000.00 and as high as \$500,000.00.

2. If the City does nothing to stabilize the building and prevent further deterioration, this will almost certainly result in "demolition by neglect" of this historically significant property. The cost of such stabilization to the City could be significant, as had been the case with other historic properties owned by the City.

3. The Property is currently an eyesore and degrades the environment for nearby commercial properties. The Property's location on what is now a major traffic artery for Franklin exposes this condition to numerous people every day.

4. The City has previously declared the Property to be surplus and has solicited proposals. Our understanding is that no viable proposal was received. We believe this reflects the difficulties associated with developments that have been previously mentioned. Experience has shown that there are high hurdles to any adaptive use and restoration by the private sector. Unless the site holds specific positive attributes, similar to those found in the Five Points Building, the costs associated with remediation and restoration are far in excess of other sites that can be selected for private market investment.

As you know, the Heritage Foundation, a current tenant of City property, will be displaced if the current negotiations to change the use of the Historic Five Points Post Office building are completed. The Heritage Foundation has proven its capacity to successfully raise funds with the purchase and restoration of the Franklin Theatre, another historic property for which no viable market solution existed. The Theatre has become not only a jewel on Main Street, but a key driver for economic and social vitality for downtown Franklin.

The Heritage Foundation is willing, and eager, to undertake fundraising, renovation and occupancy of the Old, Old Jail. Given the significant deterioration, hazardous material remediation required and renovation costs, the task will not be easy. However, the end product would be a project greatly benefiting the community. Built to historic preservation requirements, open to the public, available for use by other non-profits and community groups, providing an appropriate place for staging the festivals that the Heritage Foundation manages, and including the pursuit of LEED certification, the project would be another winning project for the City, the community, and the Heritage Foundation.

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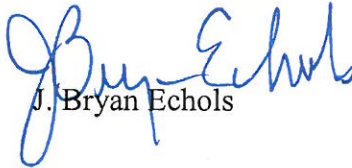
The Heritage Foundation therefore proposes that the Property be disposed of by negotiation, the terms of which should include a requirement that the Property be restored by the Heritage Foundation in accordance with Secretary of the Interior standards for restoration of an historic structure, and in accordance with applicable City requirements.

We believe that the benefits to the City of this approach are clear, objective and non-speculative, and that use of a public bid process under the existing circumstances would be impracticable. The use of a negotiated process for disposal, however, would ensure that the City and BOMA have full control over the specifics of the transfer, restoration and preservation of this iconic property. At the same time, the certainty gained through the negotiated process would better enable the Heritage Foundation to leverage its nonprofit status to raise the considerable funds necessary for fulfillment of its obligations.

We appreciate your consideration of our request and are ready to move to the next step of the process.

Sincerely,

Dickinson Wright PLLC



J. Bryan Echols

JBE:mag

cc: Shauna R. Billingsley, Esq. (Via Email: shauna.billingsley@franklin-gov.com)
Mary Pearce (Via Email: mpearce@historicfranklin.com)
Cyril Stewart (Via Email: cyril.stewart@vanderbilt.edu)

EXHIBIT A

EXISTING CONDITIONS

