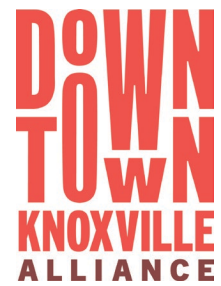


# BOARD OF DIRECTORS' MEETING

## ➔ AGENDA

**FEBRUARY 19, 2024, 11:30 AM**



- I. Welcome
- II. Approval of Minutes
  - A. \*January Board Meeting p. 3
- III. \*Financial Report p. 5
- IV. Committee Reports
  - A. Business Support Committee p. 15
- V. Staff Report p. 17
- VI. Old Business
- VII. New Business
- VIII. Public Forum
- IX. Adjournment

\* Denotes action items

Upcoming Meetings:

March 18, 11:30 am - Board Meeting

April 15, 11:30 am - Board Meeting

This meeting, and all communications between Board Members, are subject to the provisions of the Tennessee Open Meetings Act.

# BOARD OF DIRECTORS' MEETING

## ➤ MINUTES

**JANUARY 21, 2024, 11:30 AM, VIA ZOOM**

The Board of Directors of Downtown Knoxville Alliance met on Monday, January 21, 2024, at 11:30 am at 17 Market Square, Knoxville, TN.

Board members present included board chair, Matthew DeBardelaben, Chip Barry, Natalea Cummings, Vince Fusco, Lorie Matthews, John Sanders, Adrienne Webster, Blaine Wedekind, and Mary Katherine Wormsley. DKA and Knoxville Chamber staff in attendance included: Michele Hummel, Angela Lundsford, and Robin Thomas.

### **I. Welcome**

Matthew DeBardelaben welcomed everyone and called the meeting to order.

### **II. Minutes**

Matthew DeBardelaben called for approval of the minutes from the November board meeting. Mary Katherine Wormsley made a motion to approve the minutes. Adrienne Webster seconded the motion, which was unanimously approved by the board.

### **III. Financial Report**

Angela Lundsford delivered the report for the corporation explaining the various reports. Adrienne Webster made a motion to approve the financial report, and Chip Barry seconded the motion, which was unanimously approved by the board.

### **IV. Committee Reports**

#### **A. Marketing Committee**

The Marketing Committee met on January 16 to review five sponsorship requests. The committee discussed the sponsorships and made a recommendation in the form of a motion to the board for the following sponsorships:

Big Ears Festival	\$10,000
Dogwood Arts 2024	\$8,500
KMA/Free Family Fun Day	\$2,000 for March and August
Knoxville Opera/Rossini Festival	\$5,000
Old City Association/Old City Market	\$5,000

Natalea Cummings seconded the motion, which the Board unanimously approved.

The committee also discussed a contingency that was placed on Tour de Lights, which was approved earlier in the year. If they raised additional funds, DKA would match funds up to \$1,500. As no additional funds were raised, the \$1,500 will be moved back to available sponsorship funding.

**V. Staff Report**

Staff presented their report, which provided an update on activities from the previous month. The full reports were included in the agenda packet.

**VI. Old Business**

There was no Old Business.

**VII. New Business**

Vince Fusco asked about the recent snowstorm and the conditions of the sidewalks downtown. It was noted that businesses are responsible for the sidewalk directly in front of their storefront.

**VIII. Public Forum**

There was no Public Forum.

**IX. Adjournment**

With no other business, the meeting was adjourned.

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Secretary

Downtown Knoxville Alliance  
Statement of Cash Flows  
Fiscal YTD January 31, 2024

	<u>Jul '23 - Jun '24</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	(37,750)
Adjustments to reconcile Net Income to net cash provided by operations:	
1110 · Other Receivable	(1,928)
2020 · Accounts Payable	10,516
2600 · Accrued Payables	35,676
2700 · Accrued Wages	-
1350 - Prepaid Expenses	75.00
Net cash provided by Operating Activities	6,589
<b>FINANCING ACTIVITIES</b>	
3900 · Change in NA - unrestricted	-
Net cash provided by Financing Activities	-
Net cash increase for period	6,589
Cash at beginning of period	1,545,901
Cash at end of period	<u><u>1,552,490</u></u>
<b>Current Liabilities</b>	(40,749)
Accrued Payables	(307,176)
<b>Accounts receivable and Other</b>	47,394
<b>Prepaid Expenses</b>	600
Subtotal	<b>(299,931)</b>
<b>Projected Remaining Budgeted Income (Expenses)</b>	
Revenue	392,933
Development	(115,000)
Quality of Life	(223,444)
Business Support	(21,502)
Marketing/Sponsorships	(119,405)
Administration	(114,168)
Subtotal	<u><b>(200,586)</b></u>
<b>Projected Cash - Before Minimum Reserve</b>	<u><b>1,051,973</b></u>
Minimum Cash Balance - Reserve	(150,000)
<b>Projected Cash Availability</b>	<u><u><b>901,973</b></u></u>

Downtown Knoxville Alliance  
Statement of Cash Flows  
Fiscal YTD January 31, 2024

Project	Grants	Permit Date	Comp Date	YE 6/30/2024	Total
314 Union Ave (COK)	250,000			250,000	250,000
Hilton Parking Garage	50,000		10/31/2023	50,000	50,000
	<u>300,000</u>			<u>300,000</u>	<u>300,000</u>

\* City approval required

Note: Disclosure of Tax Abatement for Farragut Building. CBID Board agreed to receive current assessment of \$4,578 and forgo \$19,012/year for 25 years - total abatement \$475,302. Based on estimated increase in projected value \$18.4mm versus \$3.6mm. Tax is .32 per \$100 on 40% of projected value.

Note: In 2013, Knox County Commission and Knox County Industrial Development Board approved a 10 year PILOT for Marble Alley Lofts, LLC. The property was held by Knox County and did not pay property taxes because of its tax exempt status. The property is now held by the Knox County Industrial Development Board. Based on the current appraised value, at the end of the 10 year PILOT, CBID would be entitled to a projected assessment of \$36,800 annually.

Note: In July of 2019, the Board of the Downtown Knoxville Alliance agreed to approve a 10-year abatement of the incremental CBID assessment for the State Supreme Court projects starting 48 months after the Dover Signature Properties closes on the two parcels of property from the City of Knoxville to allow for construction and project stabilization. CBID will receive an assessment for both properties based on the acquisition cost of \$2.6mm or approximately \$320 for the property that will house the hospitality project, purchased for \$250,000 and \$3,008 for the parcel that houses the apartment project, purchased for \$2,350,000. Downtown Knoxville Alliance will receive this yearly assessment during the 48 month construction and stabilization period and during the 10-year abatement, after which the CBID assessment will be paid at full value.

Downtown Knoxville Alliance  
Profit & Loss Actual vs Budget June 30, 2024

Acct #	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	TOTAL	FY24 Budget	Remainder
<b>Income</b>															
CBID Tax Assessments	4020	19,389	1,773	6,485	569,786	34,010	45,466	47,394	-	-	-	-	724,301	1,125,000	400,699
Investment income	4100	1,125	1,218	1,151	1,192	1,166	1,207	1,208	-	-	-	-	8,266	500	(7,766)
<b>Total Income</b>		<b>20,514</b>	<b>2,991</b>	<b>7,636</b>	<b>570,978</b>	<b>35,175</b>	<b>46,672</b>	<b>48,601</b>	-	-	-	-	<b>732,568</b>	<b>1,125,500</b>	<b>392,933</b>
<b>Expenses</b>															
<b>Development</b>															
Path to Prosperity	5225	-	-	-	-	-	-	-	-	-	-	-	-	15,000	15,000
Special Projects	5205	-	-	-	-	-	-	-	-	-	-	-	-	100,000	100,000
<b>Total Development</b>		-	-	-	-	-	-	-	-	-	-	-	-	<b>115,000</b>	<b>115,000</b>
<b>Quality of Life</b>															
Beautification	5659	77	77	3,533	84	1,852	3,470	90	-	-	-	-	9,183	90,000	80,817
Ambassador Program	5657	9,676	9,676	9,676	9,676	9,676	9,676	9,676	-	-	-	-	67,734	117,000	49,266
Residential - Other	5900	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	5901	-	-	-	-	-	-	-	-	-	-	-	-	3,000	3,000
Special Art Project		-	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000
Security	5700	3,557	3,854	8,012	3,610	15,547	4,509	20,551	-	-	-	-	59,639	100,000	40,361
<b>Total Quality of Life</b>		<b>13,310</b>	<b>13,607</b>	<b>21,221</b>	<b>13,370</b>	<b>27,075</b>	<b>17,655</b>	<b>30,317</b>	-	-	-	-	<b>136,556</b>	<b>360,000</b>	<b>223,444</b>
<b>Business Support</b>															
Business Support	5676	523	2,779	5,957	4,259	10,044	4,264	672	-	-	-	-	28,498	50,000	21,502
<b>Total Business Support</b>		<b>523</b>	<b>2,779</b>	<b>5,957</b>	<b>4,259</b>	<b>10,044</b>	<b>4,264</b>	<b>672</b>	-	-	-	-	<b>28,498</b>	<b>50,000</b>	<b>21,502</b>
<b>Marketing Expenses</b>															
Advertising General	5305	3,536	1,688	5,387	3,191	15,935	6,428	2,045	-	-	-	-	38,210	50,000	11,790
Print & Design	5306	225	2,532	2,600	10,002	11,082	3,212	424	-	-	-	-	30,076	55,000	24,924
Website - All Committees	5375	550	1,195	1,840	6,058	6,940	1,840	676	-	-	-	-	19,099	30,000	10,901
Downtown Scavenger Hunt	5364	-	-	-	210	-	-	-	-	-	-	-	210	15,000	14,790
Events and Sponsorship	5360	6,000	-	8,000	-	10,000	-	29,000	-	-	-	-	53,000	110,000	57,000
<b>Total Marketing Expenses</b>		<b>10,312</b>	<b>5,414</b>	<b>17,828</b>	<b>19,460</b>	<b>43,956</b>	<b>11,480</b>	<b>32,144</b>	-	-	-	-	<b>140,595</b>	<b>260,000</b>	<b>119,405</b>
<b>Administration</b>															
Meals/ Lodging/ Travel	5420	840	224	194	268	398	-	427	-	-	-	-	2,351	6,000	3,649
Office Expense	5430	505	525	685	492	641	510	571	-	-	-	-	3,930	7,000	3,070
Bank Fees	5435	19	18	18	18	18	18	18	-	-	-	-	127	200	73
Postage	5440	12	9	9	14	11	14	18	-	-	-	-	88	2,500	2,412
Professional Dev.	5465	-	-	-	2,475	-	-	940	-	-	-	-	3,415	6,000	2,585
Professional Svc	5450	-	1,000	-	2,000	3,386	2,420	1,250	-	-	-	-	10,056	12,000	1,944
Svc Contract - Operations	5460	19,849	19,849	19,849	19,849	19,849	19,849	19,849	-	-	-	-	138,943	238,186	99,243
Insurance Directors/Officers	5750	-	-	-	75	75	75	75	-	-	-	-	300	900	600
Software	5480	-	65	-	138	69	69	69	-	-	-	-	409	1,000	591
Supplies	5470	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Administration</b>		<b>21,225</b>	<b>21,691</b>	<b>20,756</b>	<b>25,328</b>	<b>24,447</b>	<b>22,954</b>	<b>23,217</b>	-	-	-	-	<b>159,618</b>	<b>273,786</b>	<b>114,168</b>
<b>Total Expenses</b>		<b>45,370</b>	<b>43,491</b>	<b>65,762</b>	<b>62,418</b>	<b>105,522</b>	<b>56,353</b>	<b>86,351</b>	-	-	-	-	<b>465,267</b>	<b>1,058,786</b>	<b>593,519</b>
Change in NAV		(24,856)	(40,500)	(58,126)	508,560	(70,347)	(9,681)	(37,750)	-	-	-	-	267,300	66,714	200,586

**Accrued Payables at 1.31.24**

Old City Association	FY23	\$0.00
City of Knoxville (314 Union Ave)	FY23	\$250,000.00
Conservation Cooperative	FY23	\$3,500.00
East TN Historical Society, August - October 2023 events	FY23	\$2,500.00
Ambassador Accrual January	FY24	\$9,676.33
Jazz Concerts 8 weekly jazz concerts	FY24	\$1,000.00
Bike Walk	FY24	\$0.00
Big Ears	FY24	\$10,000.00
Dogwood Arts	FY24	\$8,500.00
Knoxville Museum	FY24	\$2,000.00
Knoxville Opera	FY24	\$5,000.00
Old City Market	FY24	\$5,000.00
East Tennessee Historical Society 2024 Events	FY24	\$10,000.00
		\$307,176.33

# Downtown Knoxville Alliance

## Statement of Cash Flows

January 2024

	TOTAL
<b>OPERATING ACTIVITIES</b>	
Net Income	-37,749.82
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1110 Other Receivable	-1,928.02
1350 Prepaid Expenses	75.00
2020 Acc. Payable:Accounts Payable	10,515.78
2600 Accrued Payables	35,676.33
<b>Total Adjustments to reconcile Net Income to Net Cash provided by operations:</b>	<b>44,339.09</b>
<b>Net cash provided by operating activities</b>	<b>\$6,589.27</b>
<b>NET CASH INCREASE FOR PERIOD</b>	<b>\$6,589.27</b>
Cash at beginning of period	1,545,901.17
<b>CASH AT END OF PERIOD</b>	<b>\$1,552,490.44</b>



**Downtown Knoxville Alliance**  
**Balance Sheet**  
As of January 31, 2024

	<b>Total</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
1012 First Bank Checking	562,727.68
1016 Regions - Checking	147,609.52
<b>Total 1005 Cash</b>	<b>\$ 710,337.20</b>
<b>1020 Investments - Cert Dep and MM</b>	
1022 FirstBank CD 0680	96,075.51
1026 First Century Bank	254,109.68
1027 SunTrust MM Account	247,248.60
1029 Home Federal Bank - MM	244,719.45
<b>Total 1020 Investments - Cert Dep and MM</b>	<b>\$ 842,153.24</b>
<b>Total 1000 Cash &amp; Cash Equiv.</b>	<b>\$ 1,552,490.44</b>
<b>Total Bank Accounts</b>	<b>\$ 1,552,490.44</b>
<b>Accounts Receivable</b>	
1110 Other Receivable	47,393.56
<b>Total Accounts Receivable</b>	<b>\$ 47,393.56</b>
<b>Other Current Assets</b>	
1350 Prepaid Expenses	600.00
<b>Total Other Current Assets</b>	<b>\$ 600.00</b>
<b>Total Current Assets</b>	<b>\$ 1,600,484.00</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,600,484.00</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2020 Accounts Payable	40,748.51
<b>Total 2000 Acc. Payable</b>	<b>\$ 40,748.51</b>
<b>Total Accounts Payable</b>	<b>\$ 40,748.51</b>
<b>Other Current Liabilities</b>	
2600 Accrued Payables	307,176.32
<b>Total Other Current Liabilities</b>	<b>\$ 307,176.32</b>
<b>Total Current Liabilities</b>	<b>\$ 347,924.83</b>
<b>Total Liabilities</b>	<b>\$ 347,924.83</b>
<b>Equity</b>	
3900 Change in NA - unrestricted	985,259.17
Net Income	267,300.00
<b>Total Equity</b>	<b>\$ 1,252,559.17</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,600,484.00</b>

# Downtown Knoxville Alliance

## Profit and Loss

January 2024

	TOTAL
Income	
4020 CBID Assessment	47,393.56
4100 Interest on Cash Reserves	1,207.73
<b>Total Income</b>	<b>\$48,601.29</b>
GROSS PROFIT	<b>\$48,601.29</b>
Expenses	
5100 Business Support	
5150 Merchant Support	672.05
<b>Total 5100 Business Support</b>	<b>672.05</b>
5300 Marketing Expenses	
5305 Advertising	2,044.81
5306 Print and Content	423.66
5360 Sponsorships - Events	29,000.00
5375 Website	676.00
<b>Total 5300 Marketing Expenses</b>	<b>32,144.47</b>
5400 Administration	
5420 Meals/Lodging/Travel	426.98
5430 Office Expenses	571.34
5435 Bank Fees	18.00
5440 Postage	18.09
5450 Professional Svc	1,250.00
5460 Services Contract	19,849.00
5465 Professional Dev.	940.00
5480 Software	68.83
5490 Insurance D&O	75.00
<b>Total 5400 Administration</b>	<b>23,217.24</b>
5650 Quality of Life	
5655 Bike Patrol	20,551.02
5657 Ambassador Program	9,676.33
5659 Beautification	90.00
<b>Total 5650 Quality of Life</b>	<b>30,317.35</b>
<b>Total Expenses</b>	<b>\$86,351.11</b>
NET OPERATING INCOME	<b>\$ -37,749.82</b>
NET INCOME	<b>\$ -37,749.82</b>

# Downtown Knoxville Alliance

## A/P Aging Detail

As of January 31, 2024

DATE	TRANSACTION TYPE	NUM	VENDOR	DUE DATE	PAST DUE	AMOUNT	OPEN BALANCE
<b>1 - 30 days past due</b>							
01/25/2024	Bill	CC-INV-000004	Ciris Content	01/25/2024	20	390.00	390.00
<b>Total for 1 - 30 days past due</b>						<b>\$390.00</b>	<b>\$390.00</b>
<b>Current</b>							
01/01/2024	Bill	DKA-020124	Southern Bloom Social	01/31/2024	14	1,926.00	1,926.00
01/31/2024	Bill	INV011661	Knoxville Chamber	01/31/2024	14	61.45	61.45
01/31/2024	Bill	15853	Knoxville Police Department	02/09/2024	5	2,191.98	2,191.98
01/31/2024	Bill	15897	Knoxville Police Department	02/09/2024	5	2,074.17	2,074.17
01/31/2024	Bill	15896	Knoxville Police Department	02/09/2024	5	1,800.95	1,800.95
01/31/2024	Bill	15892	Knoxville Police Department	02/09/2024	5	1,800.40	1,800.40
01/31/2024	Bill	15895	Knoxville Police Department	02/09/2024	5	1,690.26	1,690.26
01/31/2024	Bill	15891	Knoxville Police Department	02/09/2024	5	1,481.02	1,481.02
01/31/2024	Bill	15890	Knoxville Police Department	02/09/2024	5	1,087.52	1,087.52
01/31/2024	Bill	15854	Knoxville Police Department	02/09/2024	5	1,009.69	1,009.69
01/31/2024	Bill	15893	Knoxville Police Department	02/09/2024	5	974.39	974.39
01/31/2024	Bill	15894	Knoxville Police Department	02/09/2024	5	911.42	911.42
01/31/2024	Bill	15856	Knoxville Police Department	02/09/2024	5	769.66	769.66
01/31/2024	Bill	15855	Knoxville Police Department	02/09/2024	5	759.80	759.80
01/31/2024	Bill	15857	Knoxville Police Department	02/09/2024	5	389.76	389.76
01/25/2024	Bill	01252024	KUB	02/12/2024	2	90.00	90.00
01/31/2024	Bill	01312024	Thomas, Robin	02/15/2024	-1	1,067.38	1,067.38
01/31/2024	Bill	2401481	High Resolutions, Inc	02/20/2024	-6	232.30	232.30
01/23/2024	Bill	194732	Graphic Creations	02/22/2024	-8	191.36	191.36
01/31/2024	Bill	INV011698	Knoxville Chamber	02/29/2024	-15	19,849.00	19,849.00
<b>Total for Current</b>						<b>\$40,358.51</b>	<b>\$40,358.51</b>
<b>TOTAL</b>						<b>\$40,748.51</b>	<b>\$40,748.51</b>

# Downtown Knoxville Alliance

A/R Aging Detail  
As of January 31, 2024

DATE	TRANSACTION TYPE	NUM	CUSTOMER	DUE DATE	AMOUNT	OPEN BALANCE
Current						
01/31/2024	Invoice	121125	City of Knoxville.	02/29/2024	47,393.56	47,393.56
<b>Total for Current</b>					<b>\$47,393.56</b>	<b>\$47,393.56</b>
<b>TOTAL</b>					<b>\$47,393.56</b>	<b>\$47,393.56</b>

# **BUSINESS SUPPORT COMMITTEE**

## **➤ MINUTES**

FEBRUARY 12, 2024 12:30 PM



Downtown Knoxville Alliance board members present included Natalea Cummings. Committee members present included Natalie Branham, Hyatt Place Hotel and Five Thirty Lounge; Lisa Cyr Burnett, Nothing Too Fancy; Scott Schimmel, Bliss & Tori Mason Shoes; Gina Truitt, Boyd's Jig & Reel. Staff included Robin Thomas.

### **New and Closed Businesses**

Street-level businesses that have recently opened, been publicly announced, or closed within the downtown district were reviewed.

### **Business Support Initiatives for FY 2024**

Initiatives planned for the year were reviewed. Modifications and updates to programs were discussed. List is attached.

### **Discussion**

General discussion related to activity downtown. Schedule and agenda for quarterly Merchant MeetUps were reviewed. Meetings are scheduled for February 20, May 21, August 20 and November 19.

No agenda items required voting or formal recommendations to the board.

<b>2024 Business Support Initiatives</b>		
With Tennessee Theatre	Jan 10–21	<ul style="list-style-type: none"> <li>• Promotion of Wicked-inspired cocktails, menu items, and merchandise with “Downtown Goes Green”</li> <li>• 19 participating businesses with dozens of offers</li> </ul>
With Big Ears	March 21–24	<ul style="list-style-type: none"> <li>• Promotion of late-night dining and grab-and-go</li> <li>• Promotion of art exhibitions, demonstrations, and live music at businesses throughout the weekend</li> <li>• 40 participating locations in 2023</li> <li>• Includes sidewalk stencils, door signage with QR code, local and social media</li> </ul>
With Knoxville Opera	April 20–21	<ul style="list-style-type: none"> <li>• Communication with businesses on scavenger hunt during Rossini Festival</li> </ul>
Waldo	July 1–31	<ul style="list-style-type: none"> <li>• Scavenger hunt (pending publisher approval each year)</li> <li>• 40 participating businesses in 2023</li> <li>• 6,000 passports printed in 2023</li> </ul>
Wicked Cool	October 1–31	<ul style="list-style-type: none"> <li>• Promotion of all things Halloween</li> <li>• Halloween-themed coffees, cocktails, beers, menu items, and merchandise. Plus Halloween-themed events scheduled during the month of October</li> </ul>
Elf on the Shelf	Nov 29–Jan 6	<ul style="list-style-type: none"> <li>• Scavenger hunt (contract with LumiStella in review)</li> <li>• 33 participating businesses in 2023</li> <li>• 6,000 passports printed in 2023   5,000 holiday stamps</li> </ul>
Peppermint Trail	Nov 29–Jan 6	<ul style="list-style-type: none"> <li>• Peppermint and holiday-themed coffees, cocktails, beers, menu items, and merchandise</li> <li>• 85 participating businesses in 2023 with hundreds of offers</li> </ul>
Merchant MeetUp	quarterly	<ul style="list-style-type: none"> <li>• Quarterly merchant meeting for networking and updates</li> <li>• Scheduled for 3<sup>rd</sup> Tuesday of month in February, May, August, and November</li> </ul>
ArtWalk	monthly	<ul style="list-style-type: none"> <li>• Update of First Friday ArtWalk website each month promoting venues hosting events</li> <li>• Website enhancements (listing and mapping) in Nov 2023</li> </ul>
Upcoming Events	monthly	<ul style="list-style-type: none"> <li>• Monthly merchant email on conventions and events impacting staffing and planning</li> </ul>
Website	ongoing	<ul style="list-style-type: none"> <li>• Listing for each business with photos, hours, contact info, and links to website and social accounts</li> <li>• “Downtown is Hiring” page listing positions and how to apply</li> </ul>
Social Media	daily	<ul style="list-style-type: none"> <li>• Follow businesses on social; promote on platforms including Facebook, Instagram, X, TikTok, and Threads</li> <li>• Over 171k followers as of Feb 2024</li> </ul>