# BOARD OF DIRECTORS' MEETING → AGENDA

### AUGUST 21, 2023, 11:30 AM



- I. Welcome
- II. Approval of MinutesA. \*July Board Meeting
- III. \*Financial Report
- IV. Committee Reports
  A. Business Support
- V. Staff Report
- VI. Old Business
- VII. New Business
- VIII. Public Forum
  - IX. Adjournment

Upcoming Meetings:

September 18, 11:30 am - Board Meeting October 16, 11:30 am - Board Meeting November 20, 11;30 am - Board Meeting

<sup>\*</sup> Denotes action items

# BOARD OF DIRECTORS' MEETING MINUTES

#### JULY 17, 2023, 11:30 AM

The Board of Directors of Downtown Knoxville Alliance met on Monday, July 17, 2023, at 11:30 am at 17 Market Square, Knoxville, TN.

Board members present included board chair, Matthew DeBardelaben, Chip Barry, John Sanders, Adrienne Webster, and Blaine Wedekind. DKA and Knoxville Chamber staff in attendance included: Michele Hummel, Angela Lunsford and Robin Thomas.

#### I. Welcome

Matthew DeBardelaben welcomed everyone and called the meeting to order.

#### II. Minutes

Matthew DeBardelaben called for the approval of the minutes from the July board meeting. John Sanders 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

Robin Thomas discussed the Marketing Committee meeting that was held on July 11. The meeting reviewed two sponsorship applications and made a recommendation to the board in the form of a motion to approve the sponsorship requests.

HoLa Hora Latina \$5,000 Knoxville Jazz Orchestra \$1,000

Adrienne Webster seconded the motion. The board approved the motion.

The committee discussed existing and new events expected to apply for sponsorship grants throughout the year. There was also a discussion about existing application guidelines and whether changes should be considered, but no changes were recommended. Preference will be given to events, segments of events, and free activities that provide reasonably widespread public access and benefit. As a general rule, sponsorships will not exceed 20% of total event expenses.

#### V. Staff Report

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

#### VI. Old Business

There was no Old Business.

#### VII. New Business

#### **Election of Officers**

A motion was made by John Sanders for the following slate of officers:

Chair: Matthew DeBardelaben Vice Chair: Lorie Matthews

Secretary: Mary Katherine Wormsley

Treasurer: Adrienne Webster

Blaine Wedekind seconded the motion, which was unanimously approved.

#### <u>Audit Engagement Letter</u>

The board reviewed the Audit Engagement Letter from Bible Harris Smith for audit services and preparing the 990. Adrienne Webster made a motion to approve Matthew DeBardelaben signing the letters. Chip Barry seconded the motion, which was unanimously approved by the board.

#### VIII. Public Forum

There was no Public Forum.

#### IX. Adjournment

With no other business, the me	eting was adjourned.
	Secretary

Downtown Knoxville Alliance Statement of Cash Flows Fiscal YTD July 31, 2023

	Jul '23 - Jun '24
OPERATING ACTIVITIES	
Net Income	(24,856)
Adjustments to reconcile Net Income	
to net cash provided by operations:	
1110 ·Other Receivable	(10,925)
2020 · Accounts Payable	6,038
2600 · Accrued Payables	5,024
2700 · Accrued Wages	(500)
Net cash provided by Operating Activities	(25,219)
FINANCING ACTIVITIES	
3900 · Change in NA - unrestricted	
Net cash provided by Financing Activities	(05.010)
Net cash increase for period	(25,219)
Cash at beginning of period	1,334,201
Cash at end of period	1,308,982
Current Liabilities	(27,791)
Accrued Payables	(340,176)
Accounts receivable and Other	19,389
Subtotal	(348,579)
Projected Remaining Budgeted Income (Expenses)	
Revenue	1,105,611
Development	(115,000)
Quality of Life	(346,690)
Business Support	(49,477)
Marketing/Sponsorships	(249,688)
Administration	(252,561)
Subtotal	92,195
Projected Cash - Before Minimum Reserve	1,052,598
Minimum Cash Balance - Reserve	(150,000)
Projected Cash Availability	902,598

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			50,000	50,000
	300,000	_		300,000	300,000

<sup>\*</sup> 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

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
Income	•															
CBID Tax Assessments	4020	19,389	-	-	-	-	-	-	-	-	-	-	-	19,389	1,125,000	1,105,611
Investment income	4100	1,125	-	-	-	-	-	-	-	-	-	-	-	1,125	500	(625)
Total Income	-	20,514	-	-	-	-	-	-	-	-	-	-	-	20,514	1,125,500	1,104,986
Expenses																
Development																
Path to Prosperity	5225	_	-	_	-	_	_	_	_	_	_	_	_	_	15,000	15,000
Special Projects	5205	-	_	_	-	-	_	_	_	-	_	_	_	_	100,000	100,000
Total Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115,000	115,000
Quality of Life																
Beautification	5659	77	_	_	_	_	_	_	_	_	_	_	_	77	90,000	89,923
Ambassador Program	5657	9,676					_	_					_	9,676	117,000	107,324
Residential - Other	5900	7,070												7,070	117,000	107,524
Residential	5901									-	-	-	-	-	2.000	2 000
	5701	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000	3,000
Special Art Project										-					50,000	50,000
Security	5700	3,557	-	-	-	-	-	-	-	-	-	-	-	3,557	100,000	96,443
Total Quality of Life		13,310	-	-	-	-	-	-	-	-	-	-	-	13,310	360,000	346,690
Business Support																
Business Support	5676	523		-	-	-	-	-	-	-	-	-	-	523	50,000	49,477
Total Business Support	·-	523	-	-	-	-	-	-	-	-	-	-	-	523	50,000	49,477
Marketing Expenses																
Advertising General	5305	3,536	-	-	-	-	-	-	-	-	-	-	-	3,536	50,000	46,464
Print & Design	5306	225	-	-	-	-	-	-	-	-	-	-	-	225	55,000	54,775
Website - All Committees	5375	550	_	_	_	_	_	_	_	-	_	_	_	550	30,000	29,450
Downtown Scavenger Hunt														-	15,000	15,000
Events and Sponsorship	5360	6,000												6,000	110,000	104,000
Total Marketing Expenses	3300	10,312	-	-	-	-	-	-	-	-	-	-	-	10,312	260,000	249,688
Administration																
Meals/ Lodging/ Travel	5420	840	_	_	_	_	_	_		_		_	_	840	6,000	5,160
Office Expense	5430	505												505	7,000	6,495
Bank Fees	5435	19	-	-	-	-	-	-	-	-	-	-	-	19	200	181
			-	-	-	-	-	-	-	-	-	-	-			
Postage	5440	12	-	-	-	-	-	-	-	-	-	-	-	12	2,500	2,488
Professional Dev.	5465	-	-	-	-	-	-	-	-	-	-	-	-	-	6,000	6,000
Professional Svc	5450	-	-	-	-	-	-	-	-	-	-	-	-	-	12,000	12,000
Svc Contract - Operations	5460	19,849	-	-	-	-	-	-	-	-	-	-	-	19,849	238,186	218,337
Insurance Directors/Officers	5750	-	-	-	-	-	-	-	-	-	-	-	-	-	900	900
Software	5480	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000
Supplies	5470	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Administration	-	21,225	=	=	-	-	-	-	-	=	-	-	=	21,225	273,786	252,561
Total Expenses		45,370	-	-	-	=	-	-	-	-	-	-	-	45,370	1,058,786	1,013,416
Change in NAV		(24,856)	_	-	-	_	-	-	_	-	_	_	_	(24,856)	66,714	(91,570)
-																
Board Approved Spending 314 Union Avenue				0	0	) 0	0	0	0	0	0	0	0	0	_	_
0				U	U	, 0	U	U	U		U	U	U		-	-
•				_	_		_	_	_	0	_	_	-	0		
Subtotal Board Approved Spending	•			0	0	) 0	0	0	0	0	0	0	0	0	-	-
NAV Total after Surplus Spending		(24,856)	0	0	0	0	0	0	0	0	0	0	0	(24,856)		

### Statement of Cash Flows July 2023

	TOTAL
OPERATING ACTIVITIES	
Net Income	-24,856.27
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1110 Other Receivable	-10,925.05
2020 Acc. Payable:Accounts Payable	6,038.20
2600 Accrued Payables	5,023.83
2700 Accrued Wages	-500.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	-363.02
Net cash provided by operating activities	\$ -25,219.29
NET CASH INCREASE FOR PERIOD	\$ -25,219.29
Cash at beginning of period	1,334,201.07
CASH AT END OF PERIOD	\$1,308,981.78

### **Balance Sheet**

As of July 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Cash & Cash Equiv.	0.00
1005 Cash	0.00
1012 First Bank Checking	226,252.14
1016 Regions - Checking	247,609.52
Total 1005 Cash	473,861.66
1020 Investments - Cert Dep and MM	
1022 FirstBank CD 0680	96,075.51
1026 First Century Bank	250,684.61
1027 SunTrust MM Account	244,763.40
1029 Home Federal Bank - MM	243,596.60
Total 1020 Investments - Cert Dep and MM	835,120.12
Total 1000 Cash & Cash Equiv.	1,308,981.78
Total Bank Accounts	\$1,308,981.78
Accounts Receivable	
1110 Other Receivable	19,388.86
Total Accounts Receivable	\$19,388.86
Total Current Assets	\$1,328,370.64
TOTAL ASSETS	\$1,328,370.64
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Acc. Payable	0.00
2020 Accounts Payable	27,791.42
Total 2000 Acc. Payable	27,791.42
Total Accounts Payable	\$27,791.42
Other Current Liabilities	
2600 Accrued Payables	340,176.32
Total Other Current Liabilities	\$340,176.32
Total Current Liabilities	\$367,967.74
Total Liabilities	\$367,967.74
Equity	
3900 Change in NA - unrestricted	985,259.17
Net Income	-24,856.27
Total Equity	\$960,402.90
TOTAL LIABILITIES AND EQUITY	\$1,328,370.64

Approach Devembles at 7 21 22		
Accrued Payables at 7.31.23		
Old City Association	FY23	\$3,000.00
City of Knoxville (314 Union Ave)	FY23	\$250,000.00
Convervation Cooperative	FY23	\$3,500.00
Grant for Hilton Parking Garage / 500 Clinch Ave.	FY23	\$50,000.00
Accrue Board of Directors election - Bible Harris Smith	FY23	\$0.00
Accrue Where's Waldo from MoxCar	FY23	\$0.00
Accrue Laren LeBlanc for June 2023 Social Media	FY23	\$0.00
Old City Association - Rhinestone Fest		
Scheduled for June 2-4	FY23	\$0.00
City of Knoxville Concerts on the Square	FY23	\$3,000.00
Asian Culture Center - Asian Festival 8/25 - 8/26/23	FY23	\$5,000.00
Anoor Academy - Int'l Food Fest August 19, 2023	FY23	\$5,000.00
East TN Historical Society, August - October 2023 events	FY23	\$5,000.00
WDVX Blue Plate Special	FY23	\$0.00
Ambassador Accrual July	FY23	\$9,676.33
Jazz Concerts 8 weekly jazz concerts	FY24	\$1,000.00
Hola Festival 9/16 - 9/17/23	FY24	\$5,000.00
		\$340,176.33

## A/R Aging Detail

As of July 31, 2023

DATE	TRANSACTION TYPE	NUM	CUSTOMER	DUE DATE	AMOUNT	OPEN BALANCE
Current						
07/31/2023	Invoice	358	City of Knoxville.	08/31/2023	19,388.86	19,388.86
<b>Total for Current</b>					\$19,388.86	\$19,388.86
TOTAL					\$19,388.86	\$19,388.86

## A/P Aging Detail As of July 31, 2023

DATE	TRANSACTION TYPE	NUM	VENDOR	DUE DATE	PAST DUE	AMOUNT	OPEN BALANCE
Current							
07/31/2023	Bill	07312023	East Tennessee Historical Society	07/31/2023	14	2,500.00	2,500.00
07/31/2023	Bill	INV010707	Knoxville Chamber	08/15/2023	-1	86.96	86.96
07/31/2023	Bill	INV010718	Knoxville Chamber	08/15/2023	-1	65.00	65.00
07/31/2023	Bill	0005789353	Knoxville News Sentinel	08/20/2023	-6	1,584.28	1,584.28
07/31/2023	Bill	2307493	High Resolutions, Inc	08/20/2023	-6	225.33	225.33
07/31/2023	Bill	DKA-080123	Southern Bloom Social	08/30/2023	-16	1,998.00	1,998.00
07/31/2023	Bill	07312023	Thomas, Robin	08/30/2023	-16	1,482.85	1,482.85
07/31/2023	Bill	INV010704	Knoxville Chamber	08/31/2023	-17	19,849.00	19,849.00
Total for Current	t					\$27,791.42	\$27,791.42
TOTAL						\$27,791.42	\$27,791.42

# BUSINESS SUPPORT COMMITTEE MINUTES

AUGUST 9, 2023 1:00 PM



Downtown Knoxville Alliance board members present included Adrienne Webster. Committee members present included Natalie Branham, Hyatt Place Hotel and Five Thirty Lounge; Lisa Cyr Burnett, Nothing Too Fancy; Ryan Sheley, Babalu, Maple Hall and Maple Room; Tim Yates, Museum of East TN History. Staff included Michele Hummel and 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 2023-2024**

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

#### Discussion

Preliminary review of 2022 revenue numbers received from TN Department of Revenue. General discussion of opportunities to help promote downtown businesses and continued challenges related to parking, hiring, and lunch traffic.

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

2023-2024		
Waldo	July 1–31	Scavenger hunt + photo op in Market Square  • 40 businesses; over 4,000 participants in 2023  • Businesses contributed over \$2,000 in gift prizes
Wicked Cool	October 9–31	<ul> <li>Promotion of all things Halloween</li> <li>Lighting and décor in Market Square Grove; spiders in Krutch Park, 100 block, Central St; photo op in Market Square</li> <li>Promotion of Halloween-themed coffees, cocktails, beers, menu items, and merchandise + Halloween-themed events</li> <li>Cool Cat Scavenger Hunt</li> <li>Photo contest with Tennessee Theatre</li> </ul>
First Friday 20	November 3	<ul> <li>Promotion of 20<sup>th</sup> anniversary of First Friday</li> <li>Celebrate art</li> <li>Expand knowledge of event</li> <li>Encourage exploration beyond attendees' favorite locations</li> <li>Generate passion for art in Knoxville so visitors return to First Friday ArtWalk on a regular basis</li> </ul>
Holiday	Nov 24–Jan 7	Lighting and décor in Market Square Grove + mural at rink  Elf on the Shelf  Contract with LumiStella through holiday 2023-2024  35 participating businesses in 2022  6,000 passports printed in 2022   5,000 holiday stamps  Peppermint Trail  Promotion of peppermint and holiday-themed coffees, cocktails, beers, menu items, and merchandise  91 participating businesses in 2022
Emerald City	Jan 10–21	Promotion with Tennessee Theatre during two-week Broadway run of "Wicked"
Make. Art. Music.	March 21–24	Promotion of art exhibitions, demonstrations, and live music at businesses throughout Big Ears weekend  • 38 participating businesses in 2023  • Includes sidewalk stencils, door signage with QR code, local and social media
۸rt\\\عالد	monthly	Undate of First Friday ArtWalk website each month

ArtWalk	monthly	<ul> <li>Update of First Friday ArtWalk website each month promoting venues hosting events</li> </ul>
Upcoming Events	monthly	<ul> <li>Monthly merchant email on conventions and events impacting staffing and planning</li> </ul>





## Restaurant options for helping feed those large groups

Businesses, conference, meetups and more center around our vibrant Downtown Knoxville. Here's an overview of downtown restaurants that can help feed all those busy large groups.

RESTAURANT	GROUP SIZE	HOURS	CONTACT
Babalu Latin	up to 16	7 days a week Lunch & Dinner	(865) 951-0361
Boyd's Jig & Reel Scottish	up to 20	Closed Monday Lunch & Dinner	(865) 247-7066
Cafe 4 American	up to 30 in The Mezz up to 16 in main dining, will try to accommodate larger groups	7 days a week Lunch & Dinner	(865) 544-4144
Calhoun's American	Can typically accommodate large groups for either reservations or walk-ins	7 days a week Lunch & Dinner	(865) 673-3355
Chesapeake's Seafood	up to 20	7 days a week Lunch & Dinner, excluding Lunch on Saturday	(865) 673-3433
Downtown Grill American	Can typically accommodate walk-in parties up to 20	7 days a week Lunch & Dinner	(865) 633-8111
Frothy Monkey Coffee and Cafe	up to 20 weekdays and Saturday after 4pm, will try to accommodate larger groups	7 days a week Breakfast, Lunch & Dinner; excluding Dinner on Sunday	(865) 888-6090, or email jared@frothymonkey.com
Harvest Seasonal Bistro	up to 20 Sun to Tues up to 35 Wed to Sat 2-hour notice	7 days a week Lunch & Dinner	(865) 684-9792 or email josh@harvestknox.com
Kaizen Japanese	up to 12 typically accepted with reservations, but can sometimes accommodate up to 20	Closed Sunday Dinner only; plus Lunch on Saturday	(865) 409-4444
<b>Kefi</b> Tapas	up to 20	7 days a week Dinner only	(865) 544-8564, resv. line: Mon – Fri, 10a – 4p
KoPita Mediterranean	up to 50	Closed Sunday Lunch & Dinner	(865) 249-8823
Lonesome Dove Steaks	up to 80 with 24-hour notice up to 30 same day	Closed Sunday Dinner only; Lunch Fridays	865-999-5251, or email emily-hughes@cheftimlove.com
Myrtle's Chicken + Beer Southern	Call and will try to accommodate	7 days a week Lunch & Dinner	(865) 851-8833
Nama Sushi	Call and will try to accommodate	7 days a week Lunch & Dinner	(865) 684-9792 or email josh@harvestknox.com

Seasonal American  Dinner only; plus Brunch on Friday, Saturday, Sunday  Ruth's Chris Steaks  Up to 30  7 days a week Dinner only; plus Lunch on Friday Chloe Hickman: (865)  Southern Grit Southern Sunday Brunch (11-3)  Tomato Head Pizza and Sandwiches Up to 8, can split more Pizza and Sandwiches Into smaller groups  Tupelo Honey Southern Up to 30  7 days a week Lunch & Dinner  7 days a week Brunch, Lunch & Dinner  Vida  Vida  Vida  Vida  Vida  Dinner only; plus Brunch on daenon@theoliverhot daenon.  (865) 546-4696 or Chloe Hickman: (865) Ch				
Steaks  Dinner only; plus Lunch on Friday  Chloe Hickman: (865)  Southern Grit Southern Sunday Brunch (11-3) Lunch & Dinner  Tomato Head Pizza and Sandwiches  up to 8, can split more into smaller groups  Lunch & Dinner  7 days a week Lunch & Dinner  Tupelo Honey Southern  up to 30  7 days a week Brunch, Lunch & Dinner  Vida  up to 25  7 days a week (865) 544-8564, res	-	up to 26	Dinner only; plus Brunch on	(865) 622-6434 or email daenon@theoliverhotel.com
Southern  Sunday Brunch (11-3)  Lunch & Dinner  Tomato Head  Pizza and Sandwiches  up to 8, can split more into smaller groups  Lunch & Dinner  Tupelo Honey  Southern  up to 30  7 days a week  Brunch, Lunch & Dinner  Vida  up to 25  7 days a week  (865) 522-0004  (865) 544-8564, res	Chris	up to 30	-	(865) 546-4696 or Chloe Hickman: (865) 393-0144
Pizza and Sandwiches into smaller groups Lunch & Dinner  Tupelo Honey up to 30 7 days a week (865) 522-0004  Southern Brunch, Lunch & Dinner  Vida up to 25 7 days a week (865) 544-8564, res	ern Grit		,	(865) 240-4275
Southern         Brunch, Lunch & Dinner           Vida         up to 25         7 days a week         (865) 544-8564, res				(865) 637-4067
	Honey	up to 30		(865) 522-0004
Diffiel only Worl = 111, 10a = 4p		up to 25	7 days a week Dinner only	(865) 544-8564, resv. line: Mon – Fri, 10a – 4p

