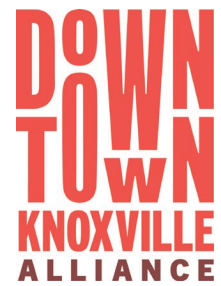


BOARD OF DIRECTORS' MEETING



JANUARY 24, 2022, 11:30 AM



- I. Welcome
- II. Approval of Minutes
 - A. *December Board Meeting p. 2
- III. Discussion of new KPD Police Chief – Mayor Kincannon
- IV. *Financial Report p. 4
- V. Committee Reports
 - A. *Quality of Life p. 10
 - B. *Marketing
- VI. Staff Report p. 11
 - A. Discussion of Budget Workshop
- VII. Old Business
- VIII. New Business
- IX. Public Forum
- X. Adjournment

* Denotes action items

Upcoming Meetings:

February 21, 10:00 am – Budget Workshop

February 21, 11:30 am – Board Meeting

March 21, 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



DECEMBER 20, 2021, 11:30 AM

The Board of Directors of Downtown Knoxville Alliance met on Monday, December 20, 2021, at 17 Market Square.

Board members present included board chair, Matthew DeBardelaben, Rick Emmett, Lorie Matthews, John Sanders, and Mary Katherine Wormsley. DKA and Knoxville Chamber staff in attendance included: Michele Hummel, Terry Tabors, and Robin Thomas.

I. Welcome

Matthew DeBardelaben, chair of the Board, welcomed everyone to the meeting and called the meeting to order.

II. Minutes

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

III. Financial Report

Terry Tabors delivered the financial report for the corporation. Lorie Matthews made a motion to approve the financial report as presented. Rick Emmett seconded the motion, which was unanimously approved by the board.

The board discussed the outstanding accrual for Transit Alliance of East Tennessee. Staff will ask Joe Hultquist to attend an upcoming board meeting to provide an update on the project.

DKA has held \$2,500 in accruals for two years as a reward to the public for turning in people who are etching glass or placing graffiti on downtown buildings. This reward program was not well established and has not been used. A motion was made, seconded by Lorie Matthews, and approved by the full board to rescind the grant amount and release the funds.

IV. Committee Reports

A. Quality of Life Committee

The Quality of Life Committee met on November 30. The committee reviewed two requests.

The committee reviewed a request from Nikki Elliott to hold a Community Conversation with leaders that work with the homeless population such as KPD; local social workers/outreach teams; leaders from KARM, VMC, KCDC, CAC; leaders/pastors from local churches; and Michael Dunthorn/Shawn Griffith with City's Office of Homelessness. Ms. Elliott has offered to head the proposed session but would like to partner with DKA to sponsor the event, help with planning, securing a location, etc. The committee made a recommendation to the board in the form of a motion to approve DKA working with Nikki Elliott and others to hold this meeting with the idea of continuing the conversation on a quarterly or on an as needed basis. The board discussed the motion and made an amendment. Mary Katherine Wormsley suggested a steering committee be developed that would work on this meeting as well as

others related to homelessness/panhandling/security as needed. Lorie Matthews seconded the motion, which was unanimously approved by the board.

The committee also reviewed a request for security cameras, which was made by Melinda Grimac and Avi & Illana Brodt. The request is for DKA to provide security cameras in various points in downtown. The goal of this request is to improve public safety for downtown visitors, residents, and employees. KPD looked at crime statistics and suggested 19 locations in downtown that would benefit from security cameras. While KPD will have the ability to access and monitor the cameras while on duty, they will not be monitored regularly until the new KPD headquarters is built. The requested amount of \$148,000 will provide 10 units. Each unit includes one bullet camera that is fixed in position and an additional 4-head camera system that is customizable for locations, height, and distances, etc.

The committee felt the presence of cameras could help in preventing crimes and would be helpful to hold info after a crime has been committed for prosecution. However, there were several issues that concerned the committee, which included privacy issues, who would control the data, lack of 24/7 monitoring, what happens if the system is hacked and images are released, etc.

The committee felt the security cameras could be beneficial but recommended partnering with the city or other groups to further enhance the public safety.

The board discussed the request and expressed the same benefits and concerns as the committee. In addition, they did not want to see DKA own and maintain the cameras. Several board members were open to providing funds that went towards purchasing the cameras if a request came from the City or KPD or to develop a program where property owners can apply for some money to go towards the purchase of cameras that KPD could access as needed.

V. Staff Report

Staff presented the staff report providing an update on the activities from the previous month, social media numbers, and highlighted the upcoming month's meetings. The full reports were included in the agenda packet.

VI. Old Business

There was no Old Business.

VII. New Business

There was no New Business.

VIII. Public Forum

Ed Shouse noted that he liked the idea of having more cameras in downtown.

IX. Adjournment

With no other business, the meeting was adjourned.

Secretary : _____ Date: _____

Downtown Knoxville Alliance

Profit & Loss Actual vs Budget June 30, 2022

	Acct #	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	YTD FY22	FY22 Budget	Remainder
Income																
CBID Tax Assessments	4020	-	(15,988)	7,727	494,179	138,728	42,888	-	-	-	-	-	-	667,534	835,000	167,466
Investment income	4100	13	7	6	(14)	(29)	(9)	-	-	-	-	-	-	(25)	500	525
Total Income		13	(15,981)	7,734	494,165	138,699	42,879	-	-	-	-	-	-	667,509	835,500	167,991
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	5650	77	4,991	78	81	20,340	(2,419)	-	-	-	-	-	-	23,148	95,000	71,852
Residential	5901	-	-	-	-	-	-	-	-	-	-	-	-	-	8,000	8,000
Security	5700	18,299	11,079	10,778	8,663	10,926	15,597	-	-	-	-	-	-	75,342	100,000	24,658
Total Quality of Life		18,376	16,070	10,856	8,744	31,266	13,178	-	-	-	-	-	-	98,490	203,000	104,510
Business Support																
Business Support	5676	500	1,927	7,758	6,650	7,846	1,526	-	-	-	-	-	-	26,207	50,000	23,793
Total Business Support		500	1,927	7,758	6,650	7,846	1,526	-	-	-	-	-	-	26,207	50,000	23,793
Marketing Expenses																
Advertising General	5305	100	3,714	6,951	840	4,405	7,765	-	-	-	-	-	-	23,776	75,000	51,224
Print & Design	5306	2,124	1,415	2,216	2,880	6,389	2,636	-	-	-	-	-	-	17,659	30,000	12,341
Website - All Committees	5375	350	1,224	1,190	2,068	1,412	1,320	-	-	-	-	-	-	7,564	20,000	12,436
Events and Sponsorship	5360	-	1,000	-	-	2,500	-	-	-	-	-	-	-	3,500	80,000	76,500
Total Marketing Expenses		2,573	7,353	10,357	5,788	14,706	11,721	-	-	-	-	-	-	52,499	205,000	152,501
Administration																
Meals/ Lodging/ Travel	5420	722	1,149	672	234	177	489	-	-	-	-	-	-	3,443	5,500	2,057
Office Expense	5430	395	379	584	424	525	312	-	-	-	-	-	-	2,619	7,000	4,381
Postage	5440	-	6	7	10	-	-	-	-	-	-	-	-	23	2,500	2,477
Professional Dev.	5465	-	-	-	-	-	940	-	-	-	-	-	-	940	6,000	5,060
Professional Svc	5450	-	-	-	3,733	-	-	-	-	-	-	-	-	3,733	12,000	8,267
Svc Contract - Operations	5461	18,125	19,619	18,872	18,872	18,872	18,872	-	-	-	-	-	-	113,232	226,464	113,232
Insurance Directors/Officers	5750	-	-	-	804	-	-	-	-	-	-	-	-	804	800	(4)
Software	5480	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000
Supplies	5470	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Administration		19,243	21,153	20,136	24,076	19,573	20,613	-	-	-	-	-	-	124,793	261,264	136,471
Total Expenses		40,692	46,503	49,107	45,258	73,392	47,037	-	-	-	-	-	-	301,988	834,264	532,276
Change in NAV		(40,679)	(62,484)	(41,373)	448,907	65,307	(4,159)	-	-	-	-	-	-	365,521	1,236	364,285
Surplus spending																
Approved Event / Fort Kid Playground		0	0	0	250,000	0	0	0	0	0	0	0	0	250,000	250,000	-
Approved Events/Support Now Save Local		0	0	0	0	0	0	0	0	0	0	0	0	0	2,933	2,933
COVID Related Initiatives		0	0	10,200	0	2,266	0	0	0	0	0	0	0	12,466	100,108	87,643
Subtotal Surplus Spending		0	0	10,200	250,000	2,266	0	0	0	0	0	0	0	262,466	353,041	90,576
NAV Total after Surplus Spending		(40,679)	(62,484)	(51,573)	198,907	63,042	(4,159)	0	0	0	0	0	0	103,055		

Downtown Knoxville Alliance
Statement of Cash Flows
Fiscal YTD December 31, 2021

	<u>Jul '21 - Jun '22</u>
OPERATING ACTIVITIES	
Net Income	(4,159)
Adjustments to reconcile Net Income to net cash provided by operations:	
1110 · Other Receivable	95,840
2020 · Accounts Payable	(5,285)
2600 · Accrued Payables	(7,526)
Net cash provided by Operating Activities	<u>78,871</u>
FINANCING ACTIVITIES	
3900 · Change in NA - unrestricted	-
Net cash provided by Financing Activities	<u>-</u>
Net cash increase for period	78,871
Cash at beginning of period	950,561
Cash at end of period	<u><u>1,029,432</u></u>
Current Liabilities	(39,320)
Approved Events/Quality of Life Sponsorships not booked	
Support Now Safe Local Initiatives	(2,933)
Cradle of Country Music Park \$83,000	(83,000)
Accounts receivable and Other	42,888
Approvals contingent on future events:	
COVID Related Initiatives	(75,108)
Halloween /Outdoor Activation Related Expenses (approved at August 2021 Board Meeting)	(12,534)
River and Rail Related Expenses (approved at August 2021 Board Meeting)	-
Transit Alliance of East Tennessee (match required)	(25,000)
Fort Kid in the amount of \$250,000 paid October 2021	-
Subtotal	<u>(195,008)</u>
Projected Remaining Budgeted Income (Expenses)	
Revenue	167,991
Development	(115,000)
Quality of Life	(104,510)
Business Support	(23,793)
Marketing/Sponsorships	(152,501)
Administration	(136,471)
Subtotal	<u>(364,285)</u>
Projected Cash - Before Minimum Reserve	<u>470,138</u>
Minimum Cash Balance - Reserve	(150,000)
Projected Cash Availability	<u><u>320,138</u></u>

Downtown Knoxville Alliance

01/14/22

Balance Sheet

Accrual Basis

As of December 31, 2021

	<u>Dec 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash & Cash Equiv.	
1005 · Cash	
1016 · Regions - Checking	572,832.11
Total 1005 · Cash	572,832.11
1020 · Investments - Cert Dep and MM	
1026 · First Century Bank	114,811.81
1029 · Home Federal Bank - MM	697.16
1011 · Regions - MM	3,874.20
1021 · First Bank 2774	71,647.09
1024 · First Bank MM 2976	23,728.41
1023 · First Bank CD 2781	104,200.00
1027 · SunTrust MM Account	137,641.06
Total 1020 · Investments - Cert Dep and MM	456,599.73
Total 1000 · Cash & Cash Equiv.	1,029,431.84
Total Checking/Savings	1,029,431.84
Accounts Receivable	
1110 · Other Receivable	42,887.72
Total Accounts Receivable	42,887.72
Total Current Assets	1,072,319.56
TOTAL ASSETS	<u>1,072,319.56</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Acc. Payable	
2020 · Accounts Payable	29,140.34
Total 2000 · Acc. Payable	29,140.34
Total Accounts Payable	29,140.34
Other Current Liabilities	
2600 · Accrued Payables	10,179.58
Total Other Current Liabilities	10,179.58
Total Current Liabilities	39,319.92
Total Liabilities	39,319.92
Equity	
3900 · Change in NA - unrestricted	929,936.72
Net Income	103,062.92
Total Equity	1,032,999.64
TOTAL LIABILITIES & EQUITY	<u>1,072,319.56</u>

Downtown Knoxville Alliance A/P Aging Summary

As of January 14, 2022

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Christmas Decor Plus More	0.00	0.00	0.00	0.00	2,600.00	2,600.00
TOTAL	0.00	0.00	0.00	0.00	2,600.00	2,600.00

1:11 PM
01/14/22

Downtown Knoxville Alliance
A/R Aging Summary
As of December 31, 2021

City of Knoxville.
TOTAL

<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
42,887.72	0.00	0.00	0.00	0.00	42,887.72
42,887.72	0.00	0.00	0.00	0.00	42,887.72

Downtown Knoxville Alliance
Statement of Cash Flows
Fiscal YTD December 31, 2021

Project	Grants	Permit Date	Comp Date	YE 6/30/2019	YE 6/30/2020	YE 6/30/2021	YE 6/30/2022	Total to Pay
Transit Alliance of East TN	25,000			0	0	0	25,000	25,000
Fort Kid	250,000					0	250,000	250,000
	<u>275,000</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>275,000</u>	<u>275,000</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.

Block by Block (BBB)

Several partnering organizations are working together to bring Block by Block (BBB) to our community. The organizations include the City of Knoxville, Knox County, Visit Knoxville and DKA. The goal is to contract with BBB who will provide five employees in the downtown area. Their responsibility include:

- Hospitality & Safety Services – branded, uniformed ambassador program that provides a sense of security and a welcoming presence.
- Outreach – engage members of the street population in order to build relations, gather information, and work with partner agencies to connect persons in need with existing services

What is BBB?

Block by Block was started in 1995 to serve Louisville Downtown Partnership. In the late 90s, as downtowns were seeing a comeback and more people started calling the center city their home, BBB started working in other cities - Cincinnati and Nashville. BBB started expanding their services to fit the unique requirements of business districts.

Today they are in 120 different cities providing various services from hospitality/safety services, cleaning, outreach, and landscaping/grounds maintenance. In Tennessee, BBB is located in Memphis, Nashville, and Chattanooga.

Cost

The cost will be approximately \$300,000 for five employees. This covers employees, equipment, uniforms, etc. With four partners covering the cost, DKA's portion would be \$75,000/year.

BOARD OF DIRECTORS' MEETING

➤ STAFF REPORT FOR JANUARY 2022

MARKETING

- Newsletters released on January 3 (Look back on 2021). Resulted in 3-minute story on WBIR covering all 25 new businesses.
- Website update for First Friday ArtWalk events and promotion for January 7.
- Shift to Winter marketing including website, digital, garage posters, etc.
- Marketing Committee meeting held on January 14.
- Ongoing updates to social media and online engagement; website updates for businesses, event calendar, and Insider's Guide.
- Social Media – 115,871 followers (previous: 114,388; 112,561; 111,489).

BUSINESS SUPPORT

- Wrap-up of Peppermint Trail and Elf on the Shelf Adventure with communication to prize winners and businesses. Peppermint Trail mobile platform resulted in 1,516 digital passes and 5,907 check-ins from 37 states. Over 80% of check-ins were from Tennessee and almost 50% from Knoxville.
- Established process with Visit Knoxville Convention Services to provide businesses a monthly update on conventions impacting staffing, inventory, etc.
- Provided UT Systems with 'Welcome to Downtown' card for employee tote bags (first phase of move in Jan 14). Initial work on mobile passport for employee engagement with businesses for Spring launch.
- Business Support Committee meeting scheduled for January 26.

QUALITY OF LIFE

- Block by Block made a site visit to Knoxville this past week, visiting with the City, County, and multiple organizations. The goal of this program is to develop an ambassador program for downtown with several partners.
- Held multiple meetings to plan the Community Conversation, scheduled for February 22 at 6:00.

OTHER

- Audit is finalized and will be reviewed in February.
- 40th World's Fair Committee continues to meet, events will be held throughout the year to commemorate the 40th Anniversary of Knoxville World's Fair.



UPCOMING EVENTS

Convention details
provided by
Visit Knoxville
Convention Services

January 2022

Jan 7 – Jan 9	Attendees	Meals
2022 Pilot Flying J January Classic UTK's Allan Jones Aquatic Center Competitors likely will not be out and about a lot beyond the event, but we expect some teams will come downtown and eat together.	1,500	not provided
Jan 10 – Jan 13	Attendees	Meals
Cirrus Aircraft 2022 Business Meeting Knoxville Convention Center Expect some attendees to explore downtown during their off time which varies.	500	provided
Jan 12 – Jan 15 [CANCELLED]	Attendees	Meals
2022 TYR Pro Swim Series UTK's Allan Jones Aquatic Center Competitors likely will not be out and about a lot beyond the event, but we expect some teams will come downtown and eat together.	600	not provided
Jan 14 – Jan 17	Attendees	Meals
2022 Ozone Invitational Knoxville Convention Center This is a gymnastics event and we expect families to take advantage of downtown restaurants while here.	2,350	not provided
Jan 22 – Jan 23	Attendees	Meals
2022 K2 Club Clash Knoxville Convention Center These youth volleyball tournaments have teams rotating game times consistently on Sat/Sun. Most are staying downtown arriving Friday, so expect a lot of families exploring and eating downtown Friday and Saturday evenings.	1,500	not provided

Jan 29 – Jan 30

Attendees

Meals

2022 K2 Wilderness Clash

1,200

not provided

Knoxville Convention Center

These youth volleyball tournaments have teams rotating game times consistently on Sat/Sun. Most are staying downtown arriving Friday, so expect a lot of families exploring and eating downtown Friday and Saturday evenings.

Looking Ahead

Dogwood Arts House & Garden Show | February 11 – 13

St Patrick's Parade | March 12

Big Ears Music Festival | March 24 – 27

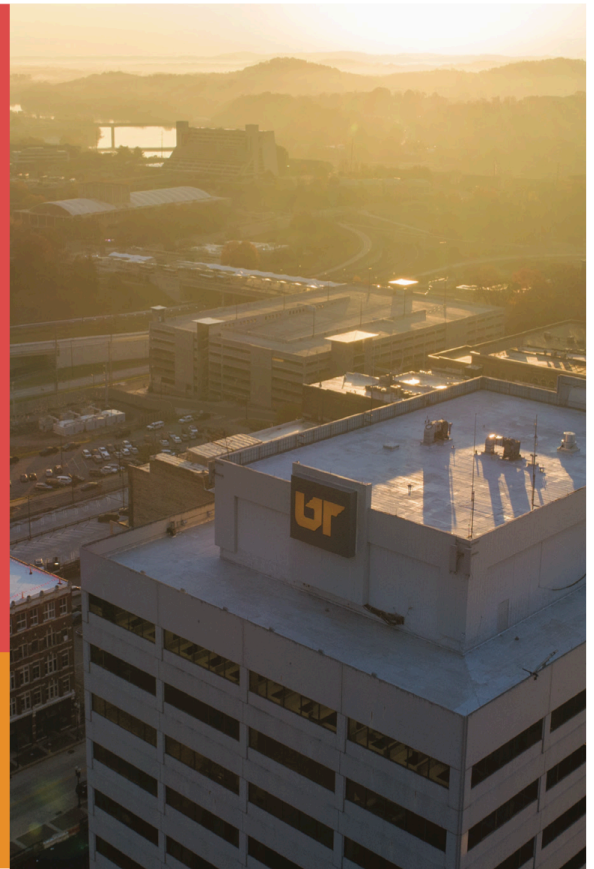
WELCOME TO DOWNTOWN

Downtown isn't just a place you work. It's a community vibrant with options and inspiration.

Start exploring and find what you need everywhere you meet, everywhere you walk, and everywhere you play.



 DOWNTOWNKNOXVILLE.ORG/UTTOWER



STEPS AWAY

- 12+ coffee shops for morning java
- 4 gyms for daily workouts
- 24+ boutiques for local shopping
- 40+ restaurants for mid-day breaks
- 12+ salons and spas for personal care
- conveniences for errands
- galleries + parks for inspiration
- plus more!

Visit DowntownKnoxville.org/UTtower for more details about everything our downtown area has to offer.

