



# AGENDA

## Johnson City Development Authority Board Meeting

Friday, February 24, 2023 @ 8:00 AM  
510 Bert St. Johnson City, TN 37604

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### 1. CALL TO ORDER

- 1.1. Call to Order and Quorum Confirmation: 6/11 of Current Members Required  
[Quorum Sheet for February 24 2023 Agenda 1.1](#)
- 1.2. Claim for Member Conflict of Interest
- 1.3. Additional Action Item to Agenda

### 2. ADOPTION OF MINUTES

- 2.1. ACTION: Review and Adoption of the Previous Regular JCDA Meeting Minutes  
[JCDA Minutes January 24 2023](#)  
[Quorum Sheet for January 27 2023 Agenda 1.1](#)

### 3. COMMITTEE REPORTS

- 3.1. John Sevier Center Operations Report  
[John Sevier Operations Report February 2023](#)
- 3.2. John Sevier Center Disposition Report  
[John Sevier Disposition Report February 2023](#)
- 3.3. TIF Advisory Committee Report - No Report
- 3.4. Downtown Center/Parking Report  
[Downtown Centre Report February 2023](#)
- 3.5. Human Resources Report  
[Human Resources Report February 2023](#)
- 3.6. Finance Committee Report  
[Finance Committee Report February 2023](#)

## 4. FINANCIALS

- 4.1. ACTION: Johnson City Development Authority General Operating Fund Financial Statement  
[JCDA January 31, 2023 Financial Statement](#)
- 4.2. ACTION: Johnson City Development Authority Tax Increment Financing (TIF) Special Fund Financial Statement  
[JCDA-TIF January 2023 Financial Statement](#)
- 4.3. ACTION: John Sevier Center Financials  
[John Sevier January 31, 2023 Financial Statement](#)

## 5. STAFF REPORTS

- 5.1. Main Street America Program Report, in conjunction with Connect Downtown Johnson City Foundation  
[Main Street America Report by the Downtown Johnson City Foundation February 2023](#)
- 5.2. Executive Director's Report

## 6. CHAIR REPORT

Comments from the Chairman

## 7. ADJOURNMENT

# Agenda Item #1.1.1.

## 1.1 Call to Order and Confirm Member Quorum

The Johnson City Development Authority (JCDA) consists of eleven active members, with no vacant seats. A majority (6 of 11 voting members) is required for quorum in order to conduct business. \*

*\*JCDA By-Laws: Section 23. Quorum*

### February 24, 2023 Meeting

Member	Term Expires	Present	Not Present
Hank Carr, Chairman	June 30, 2025 (3 year term)		
Shannon Castillo, Vice Chairman	June 30, 2024 (2 year term)		
Seth Thomas, Treasurer	June 30, 2023 (1 year term)		
Ernest Campbell	June 30, 2024 (fulfill unexpired)		
Jim Fickley	June 30, 2025 (3 year term)		
Commissioner Jodi Jones	County Commissioner Seat		
Commissioner Freddie Malone	County Commissioner Seat		
Commissioner Aaron Murphy	June 30, 2024 (2 year term)		
Jack Simpson	June 30, 2025 (3 year term)		
Robert Williams	June 30, 2023 (1 year term)		
Mayor Joe Wise	City Commission Seat		
Patricia C. Oldham, AICP, TCED	Executive Director- Non-Voting		

JCDA Finance Manager, Daniel McIntosh

Others Guests Present:



**Minutes**  
**Johnson City Development Authority**  
**Friday, January 27, 2023 @ 8:00 AM**  
**510 Bert St. Johnson City, TN 37604**

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**CALL TO ORDER**

Called to order at 08:05 by Chairman, Hank Carr.

**Call to Order and Quorum Confirmation: 6/11 of Current Members Required**

Chairman Carr confirmed the presence of a quorum. Present: H. Carr, S. Thomas, J. Simpson, F. Malone, A. Murphy, J. Fickley, S. Castillo, J. Wise Absent: J. Jones, R. Williams  
JCDA Present: P. Oldham Executive Director, D. McIntosh, Finance Manager Others Present: J. Keeling, J. Roberts, M. Lewis

**Claim for Member Conflict of Interest**

Chairman Carr requested that anyone with a conflict of interest please inform the board. Hearing none, the meeting continued.

**Review Order of Agenda and/or Addition of Action Items**

Chairman Carr requested that in the interest of allowing Melissa Stegall-Jones of BCS to return to her office as soon as possible, that the agenda be amended to hear item 2.2, the presentation of the audit results for the Johnson City Development Authority and its unit the Downtown Johnson City Foundation and the John Sevier Center enterprise unit.

**ADOPTION OF MINUTES**

**Review and Adoption of the Previous Regular JCDA Meeting Minutes**

Commissioner Malone made the motion to adopt the November 2022 minutes as presented, seconded by City Commissioner Murphy. The motion passed with all present in favor.

**Annual Audit Presentation from BCS and JCDA Audit Acceptance**

Ms. Stegall-Jones of BCS reviewed the audit and stated that the JCDA had received the best opinion that it could receive. The financial statements are correct and the total overall condition is positive. She also noted that the Downtown Johnson City Foundation, the JCDA's 501 (c)3 organization, was also audited and found to be in sound condition. Regarding internal controls and previous years findings, three were corrected. The key item is to have a plan in place to pay JCDA back for the John Sevier Center debt that was incurred to stabilize the building. Until the debt is settled, the JCDA can expect a finding. Ms. Stegall-Jones also said that the John Sevier Center audit will be submitted to HUD each year by September and the JCDA audit will be due in December to the State of Tennessee. Chairman Carr noted that, overall, the organization's audits show that progress is being made and that it is headed in the right direction.

**The motion to accept the audit as presented was made by City Commissioner Aaron Murphy, followed by a second from JCDA Commissioner Shannon Castillo.**

**COMMITTEE REPORTS**

**John Sevier Center Operations Report**

Chairman Carr explained that he is seeking approval from the board to affirm the decision that he made in late December to allocate \$10,000 from the John Sevier Center budget under emergency conditions that were evolving due to the extreme cold and the increasingly problematic security conditions. Following a discussion with LHP's John Sevier Center staff, those involved on the operations committee noted the potential for worsening conditions. Security was put in place on December 27, 2022. Chairman Carr asked for discussion on two questions: was it the right thing to do and is the commission prepared to examine a maximum amount to be spent a month for a certain number of weeks or months? Commissioner Campbell noted that it was a critical decision to have the residents feel safe and to reduce the vandalism. Commissioner Simpson noted that it appears that the situation had been worsening. City Commissioner Wise stated that it was a pressure point in that the budget is tight, but that security is essential for the residents and also could help reduce vandalism expenses. Commissioners Castillo and Malone each weighed in noting that the conditions in the adjacent parking lot had continued to deteriorate. The addition of no trespassing signs, said Commissioner Campbell, would be a first step to addressing trespassing procedures.

**Commissioner Simpson made the motion to allow \$12,000 per month, including the expenses already incurred, through the end of March 2023, when the item could be brought back to the board for further review. Commissioner Castillo seconded the motion, which passed with all present in favor.**

## Agenda Item #2.2.1.

The John Sevier Center has been going through the property insurance renewal process, which required that the staff substantiate the work that has been performed on the building during the past year, including the work done to meet the renewal requirements of the insurance carrier. Chairman Carr explained that a notice of cancellation was received in late fall. Since then, JCDA and LHP staff had worked together to provide all necessary documentation and develop a presentation for the insurance agent and insurance carrier showing the improvements. One of the requirements was to resolve roof problems that were noted in earlier insurance reports. Ms. Oldham reported that two roofing companies had examined the roofs and that one was able to quickly provide a solution and schedule to resolve the problem for a cost of \$25,000. In order to meet the insurance requirements by deadline, an emergency \$25,000 authorization was made by LHP to contract with the roofing company. At the time of the meeting, the insurance agent is working to obtain a renewal based upon the information provided to them. Staff recommends that the JCDA affirm the decision to spend the \$25,000 to repair the 11th story (uppermost) and replace a drain so that standing water will be eliminated.

**Commissioner Simpson made a motion to approve the John Sevier Center capital budget expense of \$25,000 for the emergency repair to the roof, which was seconded by Commissioner Castillo. The motion passed with all those present in favor.**

### **John Sevier Center Disposition Report**

Ms. Oldham reported that the disposition of the John Sevier Center was continuing as scheduled and that U.S. Department of Housing and Urban Development has requested a meeting with LHP and JCDA to discuss the application to transfer of housing credits. She referred the board to the updated chart in the report to track the project's progress.

### **TIF Advisory Committee Report - No Report**

### **Downtown Center/Parking Report**

Executive Director Oldham reported that the Downtown Centre lease expires in December 2023, thus Northeast State Community College has been discussing the need to renegotiate the lease. Conversations were held during the summer with the interim President, which continued when President Jeff McCord began in November. Currently, the JCDA receives \$1,000 per month, which was set as part of the agreement and financing arrangement made to make modifications to the structure. Northeast State is interested in remaining at a rate they feel that they can budget affordably. The JCDA is interested in having additional access to parking in the garage for downtown patrons and businesses, as well as the opportunity to examine how the first floor spaces fronting Market Street and Buffalo might be utilized by JCDA and Northeast State to provide for a group of uses that satisfy the needs of the community and meets the larger picture of the need for parking for future development of the John Sevier building. JCDA has asked Northeast State to examine the utilization of the building, while JCDA obtains a market value appraisal of the building and the parking lot by February 17th.

### **Human Resources Report**

The Executive Director noted that Ms. Lindsey Jones, the Deputy Director of the Main Street and Chief Communications Officer, had tendered her resignation in January following her acceptance of a new position.

### **Finance Committee Report**

The Finance Committee recommended in favor of accepting all three financial statements to the auditor, including the Johnson City Development Authority General Fund, the Johnson City Development Authority Special TIF Fund, and the John Sevier Center. Additionally, the committee reported that security, outstanding water bill, and roof repair continue to place strain on the John Sevier operating budget. Budgeted revenue excess has been reduced by increased salary costs for building operations and management, unexpected utility water costs, higher than expected bad tenant debt, and more apartment vacancy than expected. The increased cost leaves little to no revenue to build capital reserves for next year's budget or other unexpected costs in the current fiscal year.

## **FINANCIALS**

### **Johnson City Development Authority General Operating Fund Financial Statement (November and December)**

**The motion to accept the JCDA General Fund, the JCDA TIF Fund, and the John Sevier Center Financial Statements for November and December was made by Commissioner Malone, followed by a JCDA Commissioner Jack Simpson's second. The motion to approve all items at once carried with all present in favor.**

**Johnson City Development Authority Tax Increment Financing (TIF) Special Fund Financial Statement**

**Action was included in previous motion.**

**John Sevier Center Financials**

**Action included in previous motion.**

**STAFF REPORTS**

**Main Street America Program Report, in conjunction with Connect Downtown Johnson City Foundation**

The Executive Director reported the success of multiple events in downtown during the holidays, including Candy Land Christmas, Sip Shop and Stroll, and the Holiday Market and the amount of work put in by the staff for many months beforehand. She also noted that the Downtown Johnson City Foundation would need to obtain the necessary signatures from the City Manager and the Mayor for the annual program letter, in addition to completing the Main Street America annual report. There was some discussion among the board regarding the Main Street America program in respect to the City's role in event planning. In respect to the meeting's length, she concluded and directed the board to additional information about current grants and projects as found in the packet.

**OTHER BUSINESS**

**Extension request for Bang! A Studio facade repair (700 Buffalo St.) through May 31, 2023**

Ms. Oldham explained that a request had been received to extend the completion date of the roofing and parapet work being performed on the building owned by Bang! A Studio at 700 Buffalo Street. She recommended the extension to May 31, 2023, taking into consideration the postponed masonry work that would need to be completed upon the arrival of the roofing materials, which also had been delayed by supply issues.

**City Commissioner Joe Wise made the motion to approve the extension of the completion date for Bang! A Studio facade repair through May 31, 2023, seconded by JCDA Commissioner Shannon Castillo. The motion carried with all present in favor.**

**ADJOURNMENT**

Meeting adjourned at 09:10 by Chairman, Hank Carr.



\_\_\_\_\_  
Chair:

\_\_\_\_\_  
Treasurer:

\_\_\_\_\_  
These minutes were approved in an open  
meeting on \_\_\_\_\_ day of  
\_\_\_\_\_2023\_

## Agenda Item #2.2.1.

### 1.1 Call to Order and Confirm Member Quorum

The Johnson City Development Authority (JCDA) consists of eleven active members, with no vacant seats. A majority (6 of 11 voting members) is required for quorum in order to conduct business. \*

*\*JCDA By-Laws: Section 23. Quorum*

#### January 27, 2023 Meeting

Member	Term Expires	Present	Not Present
Hank Carr, Chairman	June 30, 2025 (3 year term)	X	
Shannon Castillo, Vice Chairman	June 30, 2024 (2 year term)	X	
Seth Thomas, Treasurer	June 30, 2023 (1 year term)	X	
Ernest Campbell	June 30, 2024 (fulfill unexpired)	X	
Jim Fickley	June 30, 2025 (3 year term)	X	
Commissioner Jodi Jones	County Commissioner Seat		X
Commissioner Freddie Malone	County Commissioner Seat	X	
Commissioner Aaron Murphy	June 30, 2024 (2 year term)	X	
Jack Simpson	June 30, 2025 (3 year term)	X	
Robert Williams	June 30, 2023 (1 year term)		X
Mayor Joe Wise	City Commission Seat	X	
Patricia C. Oldham, AICP, TCED	Executive Director- Non-Voting	X	

JCDA Finance Manager, Daniel McIntosh

Others Guests Present: Jeff Keeling, WJHL-TV; Jonathan Roberts, Johnson City Press; M. Lewis

## **Johnson City Development Authority**

### **John Sevier Center Operations Report**

**February 2023**

The Operations Team met virtually with LHP on February 23, 2023, along with LHP asset management to discuss the updated impact operational costs are having on the previously approved operations budget for the John Sevier.

**1. Security Personnel Update**

Security presence continues to provide a positive impact for both the residents and operations of the building. Residents are reporting feeling more secure and building management reports a decrease in vandalism and other problems connected to trespassing persons. JCDA staff inquired of LHP if actual costs related to vandalism could be traced and monitored to evaluate if the security costs are offsetting the vandalism damages. LHP reports there is currently no direct way to correlate vandalism repair costs with security presence but does suspect a direct correlation.

**2. Tax Exemption Application**

Considering the status of the JCDA as a quasi-governmental organization, the staff went forward with an application to the state board of equalization to have the John Sevier property determined tax exempt. If the board of equalization agrees with the requested determination, then approximately \$40,000 can be saved annually in property tax expense. The funds previously put towards tax expense could be applied to ongoing building improvement expenses helping to balance the operational budget. (see also Finance Committee report)

**3. Water Utility Forgiveness**

Two consecutive monthly bills have reported normal water usage at the John Sevier building. LHP management at the end of 2022 took steps to ensure water valves in all units were working properly and continues to monitor units for potential water leaks. The JC utility company has applied a utility bill forgiveness using an average of the two highest month's sewage expense. This has resulted in a \$53,499 credit against the utility bill leaving approximately \$18,517 remaining in excess water utility cost. The remaining cost will be paid down in the current fiscal year. The utility forgiveness application is limited to one time inside of a rolling twelve months. (see also Finance Committee report)

**4. Roof Repair Update**

A repair contract for the topmost roof in the amount of \$25,000 has been secured. Repairs are anticipated to begin by the end of February. These are need repairs tied to property insurance renewal requirements.

**5. Current Vacancies**

In February's meeting it was reported that building occupancy is 100%. The John Sevier's General Manager's hard work to secure viable renters has resulted in a fully occupied building. LHP management expects full occupancy to increase revenue to the budgeted amount.

6. **Insurance Coverage Secured for Another Year**

Property and liability insurance was renewed with the previous insurance carrier for the John Sevier building for Feb 2023 to Feb 2024. JCDA staff along with LHP compiled an extensive report demonstrating building upgrades since last year's renewal. This information gave the insurance underwriters confidence to bind the property into another year of coverage. Premiums on the insurance cost did increase approximately 17% over last year. Building management had anticipated a 15% increase, making the renewal close to the anticipated amount. Without the renewal, the property would likely have had to secure specialty risk coverage with an anticipated increase well over the 17% received.

7. **Budget Forecasting**

LHP asset management supplied cash flow analysis predictions considering the new security expense and ongoing capital expense events and needs. Current analysis leaves a cash balance of only \$9,086 remaining by the end this fiscal year, June 2023. While the analysis provided by LHP is only predictive, it does demonstrate that current expenditures of the John Sevier building are not allowing for any ability to increase a capital needs fund and are slim enough to potentially force further action to ensure a solvent budget by fiscal year end. LHP management along with the JCDA staff and finance committee are monitoring cash flow analysis and actuals each month as a further oversight step considering budget pressures. (see also Finance Committee report)

## Johnson City Development Authority

### John Sevier Disposition Update

LHP has continued to track the filing of the formal application to the U.S. Department of Housing and Urban Development to request the transfer of affordable housing credits, per 8(bb) Section 8, from the John Sevier Center (HAP Contract No. TN370070001) to Tapestry at Roan Hill (New Development) at 2162 South Roan Street. The U.S. Department of Housing and Urban Development asked to reschedule the January 25, 2023, remote meeting concerning the transfer. They are remaining in contact with LHP regularly about the transfer application.

The Executive Director will be meeting with LHP at the end of February to follow up on any additional disposition information that is needed at this stage of the process.

#### LHP work toward U.S. HUD 8 (bb) Section 8 transfer

2022 October/November	2023 First Quarter	2023 Spring	2023 Fall/Winter
<ul style="list-style-type: none"> <li>• November 2022 LHP and JCDA submitted the 8(bb) Section 8 transfer application to U.S. Dept. of HUD to start 12 Month Review</li> <li>• October 6<sup>th</sup> tenant input meeting held. Comments, meeting minutes, and sign in sheets to be submitted at end of 30-day notice period as submitted to Owner A (JCDA)</li> </ul>	<ul style="list-style-type: none"> <li>• HUD meeting on January 25, 2023, regarding 8bb transfer.</li> <li>• January 19, 2023 City Commission approved the issuance of tax exempt bonds from the Tennessee Housing Development Authority (THDA). THDA must provide LHP the credit award and bond allocation before HUD approval on the 8bb.</li> <li>• January 25, 2023 Meeting is be rescheduled by U.S. HUD for February.</li> </ul>	LHP submits firm loan application.	Close on the transaction and break ground on Tapestry at Roan Hill
U.S. HUD 12 mo. Review of 8 (bb) Section 8 Transfer Application from Owner A to Owner B			

## Johnson City Development Authority

### Downtown Centre Report

February 2023

The Downtown Centre appraisal report was received February 17, 2023. Staff is reviewing it and many have further items to discuss at the February 24<sup>th</sup> meeting. For background, the lease between the JCDA and Northeast State expires in December 2023. JCDA receives \$1,000 per month in rent revenue. Multiple investments have been made by the City of Johnson City, Washington County, and the JCDA, in addition to contributions by Northeast State. Northeast State also, in general, is responsible for the daily care and upkeep of the building, as specified by the agreement.

Executive Director Oldham has requested further information about the specific use of the building from Northeast State, including the availability and use of the parking garage spaces. President McCord would like the JCDA to provide options to remain on site, even on an interim basis, or provide notification of the intent to not renew the lease.

#### **Recommendation:**

The Executive Director recommends that the Finance Committee, and any others so appointed by Chairman Carr, meet to consider the appraisal results and make further recommendations to the JCDA in February or early March. The JCDA also will keep the City of Johnson City informed and involved in the discussions.

## **Johnson City Development Authority**

### **Human Resources Report**

February 2023

The Executive Director has posted a position of Administrative Coordinator to the Executive Director to begin to assist with a number of responsibilities following the resignation of the Deputy Director of Main Street and Chief Communications Officer. The approach will be to work across the team for various responsibilities for JCDA and the non-profit arm, Downtown Johnson City Foundation.

The Executive Director will request that the Human Resources Committee convene in March 2023 to review candidate qualifications.

## Johnson City Development Authority

### Finance Committee Report

February 2023

The JCDA Finance Committee convened at 12:30 PM on February 16, 2023, at the JCDA office, with Board of Director members Hank Carr, Freddie Malone, Jack Simpson, Executive Director Patricia “Tish” Oldham, and Finance Manager Daniel McIntosh in attendance. Absent from the meeting were members Seth Thomas and Ernest Campbell.

Items reviewed included:

1. JCDA General Fund Financials
2. JCDA Special Reserve TIF Fund Financials
3. John Sevier Center Financials
4. John Sevier Water Bill Forgiven by Utility Company
5. John Sevier Cash Flow Analysis and Tax Exemption Filing
6. Amended Draft Budget for FY23 and Draft Budget for FY24

The following is a summary of the meeting and review by the Finance Committee, as related to the JCDA meeting agenda items.

#### **4.1.1 APPROVE JANUARY 2023 JCDA GENERAL FUND FINANCIALS**

##### **Summary / Action**

The January 2023 JCDA General Fund Financials, as prepared by the David M Ellis Firm, Certified Public Accountants were reviewed by the Finance Committee with a unanimous recommendation to accept and forward to the JCDA for approval of the financial statement. (Motion Simpson/Malone) Motion passed.

#### **4.1.2 APPROVE JANUARY 2023 JCDA SPECIAL RESERVE TIF FUND FINANCIALS**

##### **Summary / Action**

The January 2023 JCDA Special Reserve TIF Fund Financials, as prepared by the David M Ellis Firm, Certified Public Accountants, were reviewed by the Finance Committee with a unanimous recommendation to accept and forward to the JCDA for approval of the financial statement. (Motion Simpson/Malone) Motion passed.



**4.1.3 FORWARD JANUARY 2023 JOHN SEVIER CENTER FINANCIALS**

**Summary / Action**

The January 2023 John Sevier Financials, prepared by LHP, were reviewed by the Finance Committee and forwarded to the JCDA for review. (Motion Carr/Malone) Motion passed.

Additional discussion included:

- Johnson City water utility has applied a \$53,499 credit to the utility bill for the John Sevier building. Further the utility company has agreed to spread remaining excess cost incurred during 2022 over the next four months without charging interest. This will spread out the unexpected cash impact but ensure all the liability is paid inside the current fiscal year. (See also John Sevier Operations Report)
- LHP provided to JCDA a cash flow prediction of John Sevier operating costs for the remaining fiscal year ending June 2023. This prediction included: newly incurred cost of security presence, the utility overage, minus the credit, upcoming roof repairs, a potential fire panel system upgrade, and the monthly payback to JCDA. The newly added reoccurring expenses and unique utility and capital expenses leave an estimated \$9,086 remaining in the John Sevier operating account at fiscal year-end. This amount assumes security costs are ongoing and no other incurred capital expenses beyond those listed above. The finance committee intends to monitor the cash position each month using updated analysis as the predicted ending cash position is very low and easily reduced to a negative balance by unexpected building expense events. (see also John Sevier Operations Report)
- The JCDA staff applied to the State Board of Equalization to have the John Sevier property deemed tax exempt. Expected time frame of a determination is two months assuming the application is accepted. (see also John Sevier Operations Report)
- Drafts of an amended fiscal year 2023 budget and a draft budget for fiscal year 2024 were presented by the staff and reviewed by the finance committee. The amended budget will be reviewed again before the close of the fiscal year for final approval and adoption by the JCDA board. Fiscal year 2024's draft budget was reviewed and will be submitted to the City in March. Once feedback is received from the City, staff will bring a proposed budget to the finance committee and the board.

**DAVID M. ELLIS**  
**Certified Public Accountant**  
**Member, American Institute of**  
**Certified Public Accountants**  
**Member, Tennessee Society of**  
**Certified Public Accountants**

**JOHNSON CITY DEVELOPMENT AUTHORITY**  
**GENERAL FUND**

**FINANCIAL STATEMENTS**

**For the Seven Months Ended January 31, 2023**

**JOHNSON CITY DEVELOPMENT AUTHORITY  
GENERAL FUND  
BALANCE SHEET  
January 31, 2023**

ASSETS

Current Assets

Cash

HomeTrust Operating	\$	94,183
Home Trust Savings		<u>90,657</u>

Total Cash		184,840
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Rental Security Deposits		600
Johnson City Elevator Fund		385,600
Due to/From Other Funds		458,403
John Sevier Capital Repair Loan		<u>266,203</u>

Total Current Assets		<u><u>\$ 1,295,646</u></u>
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LIABILITIES

TIF Repayment	\$	53,606
Accounts Payable		189
Line of Credit		<u>35,000</u>

Total Liabilities		<u>88,795</u>
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FUND BALANCES

Unassigned		<u>1,206,851</u>
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Total Fund Balances		<u>1,206,851</u>
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Total Liabilities and Fund Balances		<u><u>\$ 1,295,646</u></u>
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**JOHNSON CITY DEVELOPMENT AUTHORITY  
GENERAL FUND**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Seven Months Ended January 31, 2023**

**REVENUE**

Operating Revenue - City of JC	\$	255,000
Festival Allocation		15,000
Lease Income - Downtown Centre		7,000
Miscellaneous Income		400,000
Interest Income		221
		677,221
Total Revenue		677,221

**EXPENSE**

Salaries	\$	121,937
Audit Fees		15,000
Payroll Taxes		9,222
Health Insurance		6,325
Office Rent		8,199
Internet		5,950
Accounting Fees		7,225
Office Furnishings		5,097
Directors and Officers Insurance		3,966
Property Coverage		5,492
Computer/IT Support		3,967
Conference/Education		2,685
Outside Contract Services		1,720
Flood Policy		1,460
Cell and Office Phones		1,040
Payroll Service Fees		919
Office Supplies		804
Retirement Contributions		875
Memberships/Dues/Subscriptions		317
Worker's Compensation Insurance		397
Bank Fees		240
Marketing/Advertising		153
Miscellaneous		(552)
Legal Fees		78
Meals & Entertainment		107
		202,623

		202,623
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Excess (Deficiency) of Revenues Over (Under) Expenditures		474,598
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Fund Balances, Beginning of Fiscal Year		732,253
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Fund Balances, End of Seven Months		\$ 1,206,851
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**JOHNSON CITY DEVELOPMENT AUTHORITY**

**BUDGET TO ACTUAL**

**For the Seven Months Ended January 31, 2023**

	Year to Date Actual	Year to Date Budget	Variance
<b>REVENUE</b>			
Operating Revenue - City of JC	\$ 255,000	319,276	(64,276)
Festival Allocation	15,000	15,000	-
Lease Income - Downtown Centre	7,000	7,000	-
Miscellaneous Income	400,000	3,850	396,150
Interest Income	221	933	(712)
	<hr/>		
Total Revenue	677,221	346,059	331,162
<b>EXPENSE</b>			
Salaries	\$ 121,937	\$ 144,404	(22,467)
Audit Fees	15,000	38,350	(23,350)
Payroll Taxes	9,222	11,900	(2,678)
Health Insurance	6,325	6,175	150
Office Rent	8,199	8,199	-
Internet	5,950	3,500	2,450
Accounting Fees	7,225	8,167	(942)
Office Furnishings	5,097	7,500	(2,403)
Directors and Officers Insurance	3,966	600	3,366
Property Coverage	5,492	2,100	3,392
Computer/IT Support	3,967	6,041	(2,074)
Conference/Education	2,685	1,650	1,035
Outside Contract Services	1,720	4,000	(2,280)
Flood Policy	1,460	1,800	(340)
Cell and Office Phones	1,040	1,633	(593)
Payroll Service Fees	919	817	102
Office Supplies	804	1,838	(1,034)
Retirement Contributions	875	3,792	(2,917)
Memberships/Dues/Subscriptions	317	700	(383)
Worker's Compensation Insurance	397	525	(128)
Bank Fees	240	292	(52)
Marketing/Advertising	153	1,925	(1,772)
Miscellaneous	(552)	3,491	(4,043)
Legal Fees	78	2,917	(2,839)
Meals & Entertainment	107	175	(68)
Downtown Development	-	44,200	(44,200)
Downtown Events/Programs	-	12,825	(12,825)
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Total Expenses	202,623	319,516	(116,893)
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Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 474,598	\$ 26,543	\$ 448,055

DAVID M. ELLIS  
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**JOHNSON CITY DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND - TIF**

**FINANCIAL STATEMENTS**

**For the Seven Months Ended January 31, 2023**

**JOHNSON CITY DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND-TIF  
BALANCE SHEET  
January 31, 2023**

ASSETS

Current Assets

Cash

HomeTrust Bank Money Market	\$ 1,580,245
HomeTrust Bank Downtown Centre Fund	202,438
Eastman Credit Union Savings	<u>2,434</u>

Total Current Assets	<u>\$ 1,785,117</u>
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Accounts Receivable

TIF Repayment	<u>53,606</u>
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Total Accounts Receivable	<u>53,606</u>
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Total Assets	<u><u>\$ 1,838,723</u></u>
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FUND BALANCES

Restricted for Tax Increment Financing Projects	\$ 1,793,723
Assigned	<u>45,000</u>

Total Fund Balances	<u>1,838,723</u>
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Total Fund Balances	<u><u>\$ 1,838,723</u></u>
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**JOHNSON CITY DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND-TIF  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
For the Seven Months Ended January 31, 2023**

REVENUE		
City of Johnson City Funding	\$	459,597
Interest Income		<u>7,254</u>
Total Revenue		\$ 466,851
EXPENSE		
Administrative		
Legal Fees		155
Debt Service		
Downtown Centre - Principal		155,230
Downtown Centre - Interest		44,277
Downtown Pavilion - Principal		109,725
Downtown Pavilion - Interest		25,167
Model Mill - Interest		31,238
Triple G - Interest		9,175
MMM Enterprises - Interest		<u>5,545</u>
Total Expenditures		<u>380,512</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		86,339
Fund Balances, Beginning of Fiscal Year		<u>1,752,384</u>
Fund Balances, End of Seven Months		<u><u>\$ 1,838,723</u></u>



**JOHNSON CITY DEVELOPMENT AUTHORITY  
SPECIAL REVENUE FUND-TIF  
BUDGET TO ACTUAL  
For the Seven Months Ended January 31, 2023**

	Actual	Budget	Variance
<b>REVENUE</b>			
City of Johnson City Funding	\$ 459,597	425,120	34,477
Interest Income	7,254	2,500	4,754
<b>Total Revenue</b>	<b>466,851</b>	<b>\$ 427,620</b>	<b>39,231</b>
<b>EXPENDITURES</b>			
Legal Fees	155	2,625	(2,470)
Debt Service			-
Downtown Centre - Principal	155,230	150,545	4,685
Downtown Centre - Interest	44,277	48,962	(4,685)
Downtown Centre-Other	-	3,238	(3,238)
Downtown Pavilion - Principal	109,725	103,950	5,775
Downtown Pavilion - Interest	25,167	28,639	(3,472)
Model Mill - Interest	31,238	34,903	(3,665)
Triple G - Interest	9,175	11,406	(2,231)
MMM Enterprises - Interest	5,545	6,894	(1,349)
Buffalo Street Boardwalk	-	33,750	(33,750)
<b>Total Expenditures</b>	<b>380,512</b>	<b>424,912</b>	<b>(44,400)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 86,339</b>	<b>\$ 2,708</b>	<b>\$ 83,631</b>

# John Sevier Center

## Monthly Financial Reports

Balance Sheet  
Income Statement

January 31, 2023

John Sevier Center (1415)  
Balance Sheet  
As of Jan 2023

Accrual YE13

Jan 2023

2/9/2023 11:45

**ASSETS**

CASH

Current Assets

Cash-Operating	109,922.42
Cash-Petty Cash	100.00
Cash-Restricted Reserve	8,515.07
Tenant AR	7,366.67
Allowance Doubtful Accts	(2,073.87)
AR/AP-HUD	11,786.00
Security Deposits	31,599.13
Prepaid Expenses	4,262.14
Prepaid Insurance	900.00
	172,377.56

TOTAL CURRENT ASSETS 172,377.56

FIXED ASSETS

Land	79,300.00
Buildings	4,650,395.00
Furniture for Project Use	34,952.00
Accumulated Depreciation	(378,923.22)
	4,385,723.78

TOTAL FIXED ASSETS 4,385,723.78

OTHER ASSETS

TOTAL OTHER ASSETS 0.00

**TOTAL ASSETS** **4,558,101.34**

John Sevier Center (1415)  
Balance Sheet  
As of Jan 2023

**Accrual YE13**

**Jan 2023**

2/9/2023 11:45

**LIABILITIES & CAPITAL**

LIABILITIES

Current Liabilities

AP - Operations	12,086.09
AP - Other	78,748.76
Accrued Wages Payable	5,696.58
Accrued Benefits Liability	5,545.64
Accrued Mgmt Fee Payable	9,704.68
Accrued Interest-1st Mort	15,225.28
Accrued Property Taxes	26,492.79
Accrued Expenses	7,660.43
Accrued Audit Fees	560.42
Security Deposit	29,303.00
Pet Deposit	1,500.00
Prepaid/Unearned Rent	3,066.95
Prepaid HUD	3,798.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>199,388.62</b>

OTHER LIABILITIES

N/P - Operating	208,402.97
N/P-Entity	901,803.32
Mortgage Payable - 1st	3,884,669.92
<b>TOTAL OTHER LIABILITIES</b>	<b>4,994,876.21</b>

**TOTAL LIABILITIES** **5,194,264.83**

CAPITAL

Owner Equity	(338,832.43)
Net Profit (Loss)	(297,331.06)
<b>TOTAL CAPITAL</b>	<b>(636,163.49)</b>

**TOTAL LIABILITIES & CAPITAL** **4,558,101.34**

**John Sevier Center (1415)  
Comparative Income Statement**

Accrual^YE13  
For the period ending January 31, 2023

2/9/2023 11:46

Account	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance
Revenue						
Tenant Rent Revenue	32,377.00	152,145.00	(119,768.00)	216,784.00	1,002,135.00	(785,351.00)
HUD Assistance	119,768.00	0.00	119,768.00	785,351.00	0.00	785,351.00
<b>Total Gross Potential</b>	<b>152,145.00</b>	<b>152,145.00</b>	<b>0.00</b>	<b>1,002,135.00</b>	<b>1,002,135.00</b>	<b>0.00</b>
VACANCY LOSS & CONCESSIONS						
Special Claims Revenue	551.00	1,115.67	(564.67)	4,331.00	7,809.69	(3,478.69)
Apartment Vacancy	(3,804.00)	(3,380.83)	(423.17)	(31,043.00)	(23,665.81)	(7,377.19)
<b>Total Vacancy Loss &amp; Concessions</b>	<b>(3,253.00)</b>	<b>(2,265.16)</b>	<b>(987.84)</b>	<b>(26,712.00)</b>	<b>(15,856.12)</b>	<b>(10,855.88)</b>
OTHER INCOME						
Other	0.00	0.00	0.00	1,116.50	0.00	1,116.50
Laundry & Vending Revenue	244.80	66.67	178.13	2,242.97	466.69	1,776.28
Misc Tenant Charges	412.47	324.17	88.30	3,793.67	2,269.19	1,524.48
Late Fees	340.17	476.33	(136.16)	2,469.97	3,334.31	(864.34)
Damages	0.00	721.67	(721.67)	2,378.44	5,051.69	(2,673.25)
Other Income	591.53	250.00	341.53	1,447.86	1,750.00	(302.14)
<b>Total Other Income</b>	<b>1,588.97</b>	<b>1,838.84</b>	<b>(249.87)</b>	<b>13,449.41</b>	<b>12,871.88</b>	<b>577.53</b>
BAD DEBT						
Bad Debts	(2,840.11)	(293.81)	(2,546.30)	(21,108.52)	(2,056.67)	(19,051.85)
Bad Debts - Admin	(4,282.07)	0.00	(4,282.07)	(8,941.07)	0.00	(8,941.07)
Allowance for Bad Debts	0.00	0.00	0.00	5,294.09	0.00	5,294.09
<b>Total Bad Debt</b>	<b>(7,122.18)</b>	<b>(293.81)</b>	<b>(6,828.37)</b>	<b>(24,755.50)</b>	<b>(2,056.67)</b>	<b>(22,698.83)</b>
<b>Effective Gross Income (EGI)</b>	<b>143,358.79</b>	<b>151,424.87</b>	<b>(8,066.08)</b>	<b>964,116.91</b>	<b>997,094.09</b>	<b>(32,977.18)</b>
Expense						
OPERATING EXPENSES						
UTILITIES						
Electricity	2,474.37	4,472.69	1,998.32	18,580.40	22,167.25	3,586.85
Electricity-Vacants	604.97	0.00	(604.97)	3,707.00	0.00	(3,707.00)
Water	367.45	1,311.19	943.74	37,120.03	14,602.31	(22,517.72)
Gas	240.98	175.10	(65.88)	1,531.74	1,057.81	(473.93)
Sewer	241.29	2,739.80	2,498.51	84,792.48	32,047.42	(52,745.06)

**John Sevier Center (1415)  
Comparative Income Statement**

Accrual^YE13  
For the period ending January 31, 2023

2/9/2023 11:46

Account	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance
Total Utilities	3,929.06	8,698.78	4,769.72	145,731.65	69,874.79	(75,856.86)
<b>CONTRACT SERVICES</b>						
Contract-Exterminating	1,100.00	500.00	(600.00)	8,900.00	3,500.00	(5,400.00)
Contract-Elevator	1,340.63	3,956.33	2,615.70	28,070.05	27,694.31	(375.74)
Contract-Fire Alarm	1,805.37	628.75	(1,176.62)	7,628.43	4,401.25	(3,227.18)
Contract-Plumbing	0.00	347.17	347.17	1,028.75	2,430.19	1,401.44
Contract-Cable TV	0.00	3,375.00	3,375.00	0.00	23,625.00	23,625.00
Contract-Other	10,495.15	2,874.83	(7,620.32)	26,363.00	20,123.81	(6,239.19)
Garbage & Trash Removal	1,402.04	1,287.92	(114.12)	9,593.30	9,015.44	(577.86)
Contract-Security	9,695.07	766.67	(8,928.40)	10,302.82	5,366.69	(4,936.13)
Total Contract Services	25,838.26	13,736.67	(12,101.59)	91,886.35	96,156.69	4,270.34
<b>REPAIRS &amp; MAINTENANCE</b>						
Janitorial Supplies	239.91	369.63	129.72	4,952.99	2,587.41	(2,365.58)
Maintenance Supplies	710.83	1,467.45	756.62	6,776.62	10,272.15	3,495.53
Decorating Supplies	0.00	333.33	333.33	1,366.56	2,333.31	966.75
Plumbing Supplies	1,945.73	1,251.30	(694.43)	9,784.00	8,759.10	(1,024.90)
Electrical Supplies	374.65	354.00	(20.65)	956.09	2,478.00	1,521.91
HVAC R & M	0.00	416.67	416.67	3,501.42	2,916.69	(584.73)
Appliances	448.10	244.42	(203.68)	4,507.42	1,710.94	(2,796.48)
Carpentry	0.00	9.67	9.67	435.31	67.69	(367.62)
Uniform Expense	0.00	0.00	0.00	970.57	500.00	(470.57)
NonRoutine Maintenance	0.00	2,047.08	2,047.08	1,692.30	14,329.56	12,637.26
Total Repairs & Maintenance	3,719.22	6,493.55	2,774.33	34,943.28	45,954.85	11,011.57
<b>TURNOVER</b>						
Painting & Paint Supplies	85.21	668.19	582.98	3,910.88	4,677.33	766.45
Contract-Janitorial	0.00	0.00	0.00	825.00	0.00	(825.00)
Contract-Carpet Cleaning	0.00	10.75	10.75	0.00	75.25	75.25
Contract-Paint	0.00	0.00	0.00	675.00	0.00	(675.00)
Total Turnover	85.21	678.94	593.73	5,410.88	4,752.58	(658.30)
<b>ADMINISTRATIVE</b>						
Conventions & Meetings	7.41	0.00	(7.41)	7.41	60.00	52.59
Office Equipment-Lease & Maint	29.67	70.58	40.91	300.19	494.06	193.87
Office Supplies	107.35	304.84	197.49	2,112.70	2,133.88	21.18
Postage	118.61	59.65	(58.96)	574.83	417.55	(157.28)
Telephone/Data/Cable/Answering Svc	709.46	170.00	(539.46)	5,654.99	1,190.00	(4,464.99)
Legal Exp-Collection/Evictions	0.00	245.42	245.42	2,928.36	1,717.94	(1,210.42)

**John Sevier Center (1415)  
Comparative Income Statement**

Accrual^YE13  
For the period ending January 31, 2023

2/9/2023 11:46

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Misc Admin Expense	170.30	174.75	4.45	1,560.54	1,223.25	(337.29)
Meals & Entertainment	0.00	215.92	215.92	745.17	1,511.44	766.27
Computer Expense	899.77	626.90	(272.87)	7,409.42	4,388.30	(3,021.12)
Travel Expenses	0.00	393.83	393.83	49.48	2,756.81	2,707.33
Bank Charges	315.14	184.58	(130.56)	2,291.54	1,292.06	(999.48)
Dues & Subscriptions	235.00	0.00	(235.00)	235.00	0.00	(235.00)
Professional Fees	22.50	1,000.00	977.50	124.11	7,000.00	6,875.89
Mileage	55.00	249.42	194.42	1,948.97	1,745.94	(203.03)
<b>Total Administrative</b>	<b>2,670.21</b>	<b>3,695.89</b>	<b>1,025.68</b>	<b>25,942.71</b>	<b>25,931.23</b>	<b>(11.48)</b>
<b>MARKETING &amp; RESIDENT RETENTION</b>						
Advertising & Marketing	0.00	2.58	2.58	40.00	18.06	(21.94)
Screening Expense	417.00	317.17	(99.83)	2,029.50	2,220.19	190.69
Tenant Promotions	476.55	375.00	(101.55)	4,597.54	2,625.00	(1,972.54)
<b>Total Marketing &amp; Resident Retention</b>	<b>893.55</b>	<b>694.75</b>	<b>(198.80)</b>	<b>6,667.04</b>	<b>4,863.25</b>	<b>(1,803.79)</b>
<b>PERSONNEL</b>						
Office Payroll	1,819.93	2,892.87	1,072.94	18,633.15	20,461.29	1,828.14
Office Payroll CC	30.86	542.53	511.67	2,055.87	3,797.71	1,741.84
Manager Payroll	6,075.41	3,454.49	(2,620.92)	38,382.98	26,210.34	(12,172.64)
Payroll Processing Fees	169.98	117.07	(52.91)	677.15	819.49	142.34
Repairs & Maint Payroll	12,394.28	9,872.45	(2,521.83)	81,155.18	70,272.27	(10,882.91)
Payroll Tax Expense	1,616.63	1,269.61	(347.02)	10,466.67	9,142.53	(1,324.14)
Employee Benefits & Insur	5,251.95	7,373.87	2,121.92	35,936.82	51,617.09	15,680.27
<b>Total Personnel</b>	<b>27,359.04</b>	<b>25,522.89</b>	<b>(1,836.15)</b>	<b>187,307.82</b>	<b>182,320.72</b>	<b>(4,987.10)</b>
<b>Total Controllable Operating Expenses</b>	<b>64,494.55</b>	<b>59,521.47</b>	<b>(4,973.08)</b>	<b>497,889.73</b>	<b>429,854.11</b>	<b>(68,035.62)</b>
<b>Controllable NOI</b>	<b>78,864.24</b>	<b>91,903.40</b>	<b>(13,039.16)</b>	<b>466,227.18</b>	<b>567,239.98</b>	<b>(101,012.80)</b>
<b>AUDIT EXPENSE</b>						
Audit Expense	560.42	560.42	0.00	560.42	3,922.94	3,362.52
<b>Total Audit Expense</b>	<b>560.42</b>	<b>560.42</b>	<b>0.00</b>	<b>560.42</b>	<b>3,922.94</b>	<b>3,362.52</b>
<b>MANAGEMENT &amp; BOOKKEEPING</b>						
Management Fees	9,704.68	10,232.94	528.26	67,113.87	71,630.58	4,516.71
<b>Total Management &amp; Bookkeeping</b>	<b>9,704.68</b>	<b>10,232.94</b>	<b>528.26</b>	<b>67,113.87</b>	<b>71,630.58</b>	<b>4,516.71</b>

**John Sevier Center (1415)  
Comparative Income Statement**

Accrual^YE13  
For the period ending January 31, 2023

2/9/2023 11:46

Account	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance
<b>TAXES &amp; INSURANCE</b>						
Real Estate Taxes	3,692.50	3,692.50	0.00	25,375.36	25,847.50	472.14
Property & Liability Insu	3,918.75	6,357.75	2,439.00	33,698.25	44,504.25	10,806.00
Workers Compensation Insu	450.00	232.44	(217.56)	9,166.33	1,627.08	(7,539.25)
License & Permits	0.00	0.00	0.00	285.00	165.00	(120.00)
Franchise & Excise Tax	0.00	15.77	15.77	0.00	110.39	110.39
Taxes-Other	0.00	37.50	37.50	462.00	262.50	(199.50)
<b>Total Taxes &amp; Insurance</b>	<b>8,061.25</b>	<b>10,335.96</b>	<b>2,274.71</b>	<b>68,986.94</b>	<b>72,516.72</b>	<b>3,529.78</b>
<b>TOTAL NON-CONTROLLABLE OPERATING</b>						
	18,326.35	21,129.32	2,802.97	136,661.23	148,070.24	11,409.01
<b>TOTAL OPERATING EXPENSES</b>	<b>82,820.90</b>	<b>80,650.79</b>	<b>(2,170.11)</b>	<b>634,550.96</b>	<b>577,924.35</b>	<b>(56,626.61)</b>
<b>NET OPERATING INCOME</b>	<b>60,537.89</b>	<b>70,774.08</b>	<b>(10,236.19)</b>	<b>329,565.95</b>	<b>419,169.74</b>	<b>(89,603.79)</b>
<b>NON-OPERATING EXPENSES</b>						
Depreciation	9,217.81	0.00	(9,217.81)	64,524.67	0.00	(64,524.67)
Cap Ex-Appliances	1,840.71	672.50	(1,168.21)	7,286.23	4,707.50	(2,578.73)
Cap Ex-Unit Flooring	1,778.59	2,916.67	1,138.08	25,490.38	20,416.69	(5,073.69)
Cap Ex-Plumbina	0.00	483.75	483.75	2,176.25	3,386.25	1,210.00
Cap Ex-HVAC	1,179.21	466.92	(712.29)	3,866.66	3,268.44	(598.22)
Cap Ex-Upgrades-Furniture/Fixtures	0.00	0.00	0.00	2,573.47	0.00	(2,573.47)
Cap Ex-Upgrades-Building	1,966.25	0.00	(1,966.25)	412,387.99	0.00	(412,387.99)
Mortgage Interest-1st	15,225.28	15,250.63	25.35	106,285.44	105,924.81	(360.63)
Interest - Other	337.51	0.00	(337.51)	2,305.92	0.00	(2,305.92)
<b>Total Non-Operating Expenses</b>	<b>31,545.36</b>	<b>19,790.47</b>	<b>(11,754.89)</b>	<b>626,897.01</b>	<b>137,703.69</b>	<b>(489,193.32)</b>
<b>NET INCOME</b>	<b>28,992.53</b>	<b>50,983.61</b>	<b>(21,991.08)</b>	<b>(297,331.06)</b>	<b>281,466.05</b>	<b>(578,797.11)</b>
<b>CASH FLOW ITEMS</b>						
Principal Pmts-1st Mortga	7,797.23	7,802.72	5.49	55,373.96	55,478.64	104.68
Principal Pmts-2nd Mortga	0.00	25,000.00	25,000.00	0.00	125,000.00	125,000.00
Depreciation	(9,217.81)	0.00	9,217.81	(64,524.67)	0.00	64,524.67
<b>TOTAL CASH FLOW ITEMS</b>	<b>(1,420.58)</b>	<b>32,802.72</b>	<b>34,223.30</b>	<b>(9,150.71)</b>	<b>180,478.64</b>	<b>189,629.35</b>
<b>Net Income after Cap Ex and DS</b>	<b>30,413.11</b>	<b>18,180.89</b>	<b>12,232.22</b>	<b>(288,180.35)</b>	<b>100,987.41</b>	<b>(389,167.76)</b>





**February 2023  
Main Street America Program  
Administered by the Downtown Johnson City Foundation, Inc. 501 (c) 3**

**Strategic Planning Session with the State of Tennessee Main Street America program**

On January 25<sup>th</sup>, Nancy Williams, Tennessee Main Street Program Director, of the Department of Economic and Community Development and consultant Bridget Jones met at the JCDA office for a three hour strategic planning session with Downtown Johnson City Foundation, Chairperson, Tracy Johnson, Executive Director, Tish Oldham, and JCDA Finance Manager, Daniel McIntosh.

The National Main Street America program is changing their standards and will be emphasizing the economic development aspects of downtown revitalization. Ms. Jones and Ms. Williams worked with us to discuss how best to provide economic support for growing small businesses, impacting merchant revenues throughout the year, supporting the readiness and availability of buildings for first floor enterprises, how we would define and address specific downtown needs and collect data, improve pedestrian wayfinding, and how we would directly impact the economic ecosystem for downtown. They plan to return to Johnson City to offer training to the board as a follow-up to the planning session.

Additionally, they strategized with us about how the program would offer specific Main Street America grants through the State of Tennessee that would support programs that we already have, such as façade grants, that we could combine with other funds and available tax credits to increase the opportunity for adaptive reuse to increase the inventory of available buildings and make improvements to public spaces.

**Annual Main Street Annual Designation Report**

The Executive Director compiled and analyzed data and completed the required narrative for the Main Street America Annual Designation Report using indicators such as city building permits, jobs created, and investment information from both public and private sources, budgets, board membership, financial statements, as well as photos, event information, and overall updates regarding the program and its forthcoming year. The organization was required to complete the self-assessment tool for National Main Street America communities and assess how well the program currently met the new Standards of Performance and Recognition:

1. *Broad Based Community Commitment to Revitalization*
2. *Inclusive Leadership and Organizational Capacity*
3. *Diversified Funding and Sustainable Program Operations*
4. *Strategy Driven Programming*
5. *Preservation-Based Economic Development*
6. *Demonstrated Impact and Results*

Additionally, an annual work plan was developed with specific goals, tasks, and deliverables based upon the expectations of the State and National programs and local merchant needs. The report and the work plan were submitted to the State of Tennessee Department of Economic and Community Development on January 31, 2023.

Johnson City Development Authority Meeting: February 24, 2023

**Annual Main Street Letter for recertification**

During February, Downtown Johnson City Foundation Chair Tracy Johnson, JCDA Chair Hank Carr, JCDA Vice-Chair Shannon Castillo, and the Executive Director met with the City Manager, Cathy Ball and other staff members to provide an update on activities occurring with JCDA and the DJC Foundation. Additionally, we discussed the direction of events planning as it relates the Main Street America program or “Connect Downtown” due to the preparation required for many upcoming events. During the meeting, the Executive Director provided the annual program letter of agreement that must be signed by the Executive Director, the City Manager, and the Mayor by March 1, 2023, to send to the State of Tennessee to request recertification and membership in the Tennessee Main Street America program. The State of Tennessee Department of Economic and Community Development coordinates the program in partnership with the National Main Street American program. Beginning in 1985, the JCDA administered the program as part of its revitalization efforts and per the adopted Johnson City Comprehensive Plan, Downtown Revitalization Element. The Downtown Johnson City Foundation, as the JCDA’s non-profit arm, has most recently coordinated the program. The City Manager and Executive Director will meet in the coming week to discuss this and other JCDA priorities.

***GRANT BASED PROJECTS:***

**State of Tennessee Placemaking Grant and Grant Monitoring Site Visit**

Nancy Williams, of the State of Tennessee Department of Economic and Community Development and Downtown Johnson City Foundation Executive Director, Tish Oldham, met January 25<sup>th</sup> at the Johnson City Development Authority office, to review and monitor the status of the Placemaking Grant. Ms. Williams reviewed the use of the remaining funds, discussed opportunities to utilize the funds in additional ways, and reviewed the funds and reimbursements to date. Staff also took Ms. Williams and consultant Bridget Jones, who had accompanied her on behalf of the State, to visit the grantees to see the results of the placemaking grant initiative. The grant will conclude May 31, 2023, following multiple deadline extensions due to the pandemic.

**Dog Park Dash Grant Project**

All elements of the dog park dash funding process have been submitted to the Boyd Foundation. The next step is to schedule a check presentation at their convenience and receive the first portion of grant funding. At this time, the only special project is the Dog Park Dash. A matching donor anticipates providing 1:1 fund match with the Boyd Foundation, once the organization provides their funding. The project will require project management for material bids and donations toward the project to lower build out expenses. The Main Street design committee will initiate forming partnerships with the Washington County Animal Shelter and Humane Society and other stakeholders for dog park related tasks and ideas.