



AGENDA

Johnson City Development Authority Board Meeting

Friday, January 26, 2024 @ 8:00 AM
Langston Centre

1. CALL TO ORDER

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

Commissioners	Term Expires	Present	Absent
Shannon Castillo, Chair	June 30, 2024		
Jack Simpson, Vice Chair	June 30, 2025		
Ernest Campbell, Treasurer	June 30, 2024		
Hank Carr	June 30, 2025		
County Commissioner Jodi Jones	County Commission Seat		
County Commissioner Freddie Malone	County Commission Seat		
Daniel Tackling	June 30, 2026		
City Commissioner Joe Wise	City Commission Seat		
Chris Hyder	June 30, 2026		
City Commissioner Aaron Murphy	June 30, 2024		
Bob Cooper	June 30, 2025		
Patricia Oldham, AICP, TCEcD	Executive Director, non-voting		

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 November 28, 2023 Regular JCDA Meeting Minutes
[November 28 2023 JCDA Regular Meeting Mins](#)

3. PUBLIC COMMENT ON AGENDA

- 3.1. Public Comment on the Agenda

4. COMMITTEE REPORTS

- 4.1. John Sevier Center Operations Report
[John Sevier Operations Report January 2024](#)
- 4.2. John Sevier Center Disposition Report
[John Sevier Disposition Report January 2024](#)
- 4.3. Downtown Centre/Parking Report
[Downtown Centre and Parking Garage Report January 2024](#)
- 4.4. TIF Advisory Committee Report
[TIF Advisory Committee Report January JCDA 2024](#)
[TIF 01-2023 TIF Project Application Amended 141 E Main Street John Sevier Center
FAC 23-005 Revised 117 W Fairview Facade Grant Staff Report](#)
- 4.5. Human Resources Report
[Human Resources Report January 2024](#)
[JCDA, HR Committee Recommendation, Jan 2024](#)
- 4.6. Finance Committee Report
[Finance Committee Report January 2024](#)

5. FINANCIALS

- 5.1. ACTION: Johnson City Development Authority General Operating Fund Financial Statement
[JCDA General Fund Statement November 2023](#)
[JCDA General Fund Statement December 2023](#)
- 5.2. ACTION: Johnson City Development Authority Tax Increment Financing (TIF) Special Fund
Financial Statement
[JCDA TIF Fund Statement November 2023](#)
[JCDA TIF Fund Statement December 2023](#)

- 5.3. ACTION: John Sevier Center Financials
[John Sevier Center Financial Statement November 2023](#)
[John Sevier Center Financial Statement December 2023](#)

6. STAFF REPORTS

- 6.1. Main Street America Program Report, in conjunction with Connect Downtown Johnson City Foundation
[Foundation Report to JCDA January 2024](#)
- 6.2. Executive Director's Report

7. CHAIR REPORT

Comments from the Chairman

8. ADJOURNMENT

- 8.1. Additional Documentation - Human Resources
[P Oldham REVIEW 2023 ED & HR COMMITTEE FINAL COMMENTS](#)



Minutes
Johnson City Development Authority
Tuesday, November 28, 2023 @ 8:00 AM
Langston Centre

CALL TO ORDER

The November 2023 Regular JCDA Board Meeting was called to order at 8:03am by Chairman Shannon Castillo.

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

Commissioners	Term Expires	Present	Absent
Shannon Castillo, Chair	June 30, 2024	X	
Jack Simpson, Vice Chair	June 30, 2025	X	
Ernest Campbell, Treasurer	June 30, 2024	X	
Hank Carr	June 30, 2025	X	
County Commissioner Jodi Jones	County Commission Seat	X	
County Commissioner Freddie Malone	County Commission Seat	X	
Daniel Tackling	June 30, 2026	X	
City Commissioner Joe Wise	City Commission Seat	X	
Chris Hyder	June 30, 2026	X	
City Commissioner Aaron Murphy	June 30, 2024	X	
Bob Cooper	June 30, 2025	X	
Patricia Oldham, AICP, TCEcD	Executive Director, non-voting	X	

Others present:

Sydni Leonard, JCDA Administrative Coordinator
Cathy Ball, City Manager
Randy Trivette, Assistant City Manager

**Alicia Summers, Washington County/City of Johnson City Economic Development
Grace Teater, Johnson City Press
Jeff Keeling, WJHL**

Claim for Member Conflict of Interest

Additional Action Item to Agenda

ADOPTION OF MINUTES

Review and Adoption of the Previous Regular JCDA Meeting Minutes

A motion was made by **Commissioner Hank Carr** to approve the October 27, 2023, Regular Meeting Minutes as presented. The motion was seconded by **Commissioner Bob Cooper**. The motion **passed unanimously**.

PUBLIC COMMENT ON AGENDA

Chairman Castillo opened the floor for public comment on agenda items at 8:04am. No public comment was requested. The floor was closed for public comment at 8:04am.

COMMITTEE REPORTS

John Sevier Center Operations Report

Executive Director, Patricia Oldham, reported that roofing evaluations have been completed by two different companies. Staff is in the process of reviewing the proposed bids as the current difference in the bids are warranties and full replacement costs. Ms. Oldham continued to report that the City of Johnson City and John Sevier/LHP employees are working to ensure that the collaborative efforts continue to manage the maintenance of the water line into the building.

John Sevier Center Disposition Report

Executive Director Oldham reported that communication from LHP states that the financing closing deadline for the Tapestry at Roan Hill is scheduled for December 14, 2023. Assistant City Manager Randy Trivette noted that the Industrial Development Board is meeting in a special called meeting regarding the change in type of interest for the City of Johnson City loan to LHP for Tapestry at Roan Hill.

Commissioner Hank Carr reminded the Board the importance of the work that has been completed in regard to the John Sevier Center into the creation of the Tapestry at Roan Hill project.

Chairman Shannon Castillo introduced an update on the John Sevier Center Request for Proposal that has been a collaborative effort between the JCDA, the City of Johnson City,

Agenda Item #2.2.1.

and a number of community members on the John Sevier Working Block Group. Assistant City Manager Randy Trivette reported that all costs regarding the acquisition of a consultant would be taken on by the City of Johnson City. Alicia Summers reported that the RFP for the John Sevier Center is worded to support a call of a highest and best use analysis of the building itself as well as the surrounding area. Ms. Summers continued to note that the selected consultant would work with the JCDA and City of Johnson City on a market analysis to determine the appropriate use of the building to ensure success for the future of Downtown Johnson City.

Downtown Center/Parking Report

JCDA Carrying Cost for Downtown Centre:

Executive Director Oldham reported the ongoing cost of the Downtown Centre and the current (and growing) list of capital expenses including cameras, security, HVAC repairs, water filtration, parking repairs, and property management.

JCPD / Downtown Centre Substation Lease Approved at City Commission:

Assistant City Manager Trivette reported that City Commission voted to pass the lease negotiations between the City and the JCDA regarding a downtown police substation inside the Downtown Centre. Trivette anticipates utilization of the station to begin after the first of the year as IT equipment is currently being installed.

ETSU / Downtown Centre Lease Negotiations:

A motion was made by City Commissioner Joe Wise to grant authority to Shannon Castillo, JCDA Chairman to sign to approve the proposed lease from ETSU with modification of parking agreements to provide public parking as discussed by the JCDA Board of Commissioners. The modifications include: ETSU access to parking garage Monday through Friday during business hours of 8am to 5pm on ETSU days of operation, adjusting the monthly price of the parking garage to \$2000 per month. The motion was seconded by Commissioner Jack Simpson. Chairman Castillo called a roll call vote.

In favor: E. Campbell, H. Carr, S. Castillo, B. Cooper, C. Hyder, J. Jones, F. Malone, A. Murphy, J. Simpson, D. Tackling, and J. Wise.

Opposed: None

Abstained: None

The motion passed unanimously.

Human Resources Report - No Action

TIF Advisory Committee Report

PRO23-001: 141 East Market Street

Executive Director Patricia Oldham reported the TIF Project Request for 141 East Market Street ("John Sevier Center"). She reported that the Johnson City Development Authority is requesting an allocation from tax increment financing fund to pay for expenses related to the improvements made to the John Sevier Center that was purchased by the Johnson City Development Authority in the interest of public health, safety, and welfare of its occupants and the redevelopment of downtown Johnson City. The building had been experiencing numerous problems with major mechanical systems and overall living conditions. Staff and LHP Management have analyzed expenses to be certain that the work included has been capital investment life safety matters, doors, fire pump, sprinklers, security doors, exit lighting, water supply, and similar expenses. All invoices from the work are available for review. Any expenditures that were not capital expenses related to the improvement of safety, security, codes, and HUD REAC improvements have been excluded from the improvements request, which is a capital expenses subtotal of **\$315,383.00**. (Expenses were through FY23.) The City of Johnson City contributed \$400,000 in direct funding toward the full modernization of the two passenger elevators in 2022.

Secondly, the current needs include remaining roof work. Initial roof replacement was completed on one of five roofs. The remaining need to be replaced to stabilize the building and protect the residents and the building, a publicly held investment for redevelopment on behalf of the community. The cost, per the early estimates that were received is approximately **\$330,000.00** for the roof replacements. The total costs of what has been spent on capital improvements (excluding elevator expenditures) for this request, combined with the need for upcoming roof replacements is **\$645,383.00** for the John Sevier Center. Ms. Oldham noted that Staff received an additional bid from another vendor for a different amount on the roof replacement that included an additional section of the roof that the first bidder stated did not need replacement.

Recommendation:

Staff recommends that the TIF Advisory Committee forward the request for TIF funding, as proposed, to the Johnson City Development Authority for a vote at the November 2023 meeting, for a recommendation to be sent to the Washington County Commission Commerce Industry and Agriculture Committee for review and further recommendation to the Washington County Commission. Staff further recommends that documents be sent to attorney of record, Mr. James L. Murphy III of Bradley Arant Boult Cummings to develop any TIF agreements necessary.

A motion was made in form of a recommendation from the **TIF Advisory Committee** to approve a request for 141 East Market Street in the amount of \$645,383.00 for the capital investment debt service as well as the necessary roof replacements.

A revised motion was made by **Commissioner Hank Carr** to reconsider the new vendor's bid for the roof replacement in addition to the original ask of \$645,383.00 not to exceed \$845,383.00 to be forward to Washington County Commission through a vote of the Commerce, Industry, and Agriculture Committee. The motion was seconded by **Vice**

Chairman Jack Simpson. The motion **passed unanimously.**

Note: The following Commissioners left the meeting before this vote - City Commissioner Aaron Murphy and Commissioner Daniel Tackling. A quorum was still observed despite these departures.

PRO23-002: 115-125 East Market Street

Executive Director Patricia Oldham reported the TIF Project Request for 115-125 East Market Street ("Downtown Centre"). Ms. Oldham reported that the Johnson City Development Authority, as building owner of the Downtown Centre, is requesting funding from tax increment financing to pay for security upgrades made to the building following the removal of security equipment installed by the former tenant. The request is being made based upon the allowable use of TIF Funds rehabilitation including for security enhancements in the Redevelopment Plan Area as infrastructure that is serving the public interest. The expenses related to the security efforts included cameras, IT infrastructure for the system to operate, locksmith work, and the purchase of cellular monitoring equipment.

The total costs of what has been spent on capital improvements for this request, combined with the need for upcoming roof replacements is \$35,999.00. Staff recommended, following the TIF Advisory Committee approval, that the recommendation to be sent to the Washington County Commission Commerce Industry and Agriculture Committee for review and further recommendation to the Washington County Commission. Staff further recommends that any necessary documents be sent to attorney of record, Mr. James L. Murphy III of Bradley Arant Boult Cummings to review and develop any TIF agreements necessary.

A motion was made in the form of a recommendation from the **TIF Advisory Committee** to approve the TIF Project request for 115-125 East Market Street in the amount of \$35,999.00 to be forward to Washington County Commission through a vote of the Commerce, Industry, and Agriculture Committee. The motion was seconded by **Treasurer Ernest Campbell.** The motion **passed unanimously.**

Note: The following Commissioners left the meeting before this vote - City Commissioner Aaron Murphy and Commissioner Daniel Tackling. A quorum was maintained.

Finance Committee Report

Ellis Group Representative, Daniel McIntosh, and Finance Committee Chairman Freddie Malone reported that the following items were reviewed in the November 16, 2023, meeting.

Items reviewed included:

1. JCDA General Fund Financials
2. JCDA Special Reserve TIF Fund Financials
3. John Sevier Center Financials

Agenda Item #2.2.1.

4. TIF request proposal for John Sevier Center and Downtown Centre
5. JCDA TIF 5% Admin Fee Assessment Acceptance

No further report as all items reviewed require action by the full Board.

FINANCIALS

Johnson City Development Authority General Operating Fund Financial Statement

A motion was made in form of a recommendation from the **Finance Committee** to approve the JCDA General Fund Financial Statements as presented. The motion was seconded by **Commissioner Hank Carr**. The motion **passed unanimously**.

Note: City Commissioner Joe Wise departed, but a quorum was maintained.

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

A motion was made in form of a recommendation from the **Finance Committee** to approve the JCDA Special TIF Fund Financial Statements as presented. The motion was seconded by **Vice Chairman Jack Simpson**. The motion **passed unanimously**.

John Sevier Center Financials

A motion was made in form of a recommendation from the **Finance Committee** to approve the John Sevier Center Financial Statements as presented. The motion was seconded by **Commissioner Chris Hyder**. The motion **passed unanimously**. County Commissioner Jodi Jones abstained.

STAFF REPORTS

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

Executive Director Patricia Oldham reported that Small Business / Shop Small Saturday was November 25, 2023. This American Express nationally recognized event is a yearly celebration of small businesses. The Foundation is a selected Neighborhood Champion and thus was given a number of marketing materials for the event - these materials were distributed to 25 local businesses to promote themselves both regionally and nationally. Administrative Coordinator, Sydni Leonard, further reported that Grace Teater from Johnson City Press did a Downtown Johnson City featured interview for Small Business Saturday activities taking place in our area.

Additionally, Miss Leonard reported on the upcoming Foundation sponsored events

Agenda Item #2.2.1.

including: Deck the Holidays Shop & Sip on December 2, 2023, St. Nicholas' Merry Marketplace at Langston Center on December 9, 2023, and a finals week Caffeine Craze Coffee & Tea Shop Hop from December 11 to December 16, 2023.

Executive Director's Report - No Report

CHAIR REPORT

Chairman Shannon Castillo noted that the Board overlooked an action item during the TIF Advisory Committee report. Staff recommended that the Board vote to approve the acquisition of the 5% TIF Administrative Fee from the City of Johnson City per communication with legal counsel and correspondence with Assistant City Manager Randy Trivette. The fee totals \$29,971.31.

The motion comes in form of a recommendation from the **Finance Committee**. The motion was seconded by **Commissioner Chris Hyder**. The motion **passed unanimously**.

No further Chairman report.

ADJOURNMENT

Meeting adjourned at 9:33am through a motion from **Chairman Shannon Castillo**. The motion was seconded by **County Commissioner Jodi Jones**. The meeting was adjourned.

Chair:

Secretary:

These minutes were approved in an open meeting on ___ day of ___, ____.

Johnson City Development Authority

John Sevier Center Operations Report

January 2024

1. Roofing Evaluation

- Two quotes have been received for replacing five roof surfaces. LHP is obtaining another quote this week.
- The JCDA TIF Advisory Committee meets Monday, January 22, 2024, at 8 AM to review the amended tax increment financing request for the roof costs in anticipation costs.
- Contractors expect a six to eight week start of construction.

2. Update on Cutoff Valve Replacement

- LHP has received a quote to replace the water cut off and piping to the meter.
- LHP and JCDA staff are evaluating the use of reserve funds, as well as any available operational funds.

3. Generator Maintenance

- Staff noted recent repairs to the generator and the routine testing that occurs.
- Since 2023, capital expense budget has included funds to replace the generator if necessary.

4. Residents

LHP staff held a holiday lunch during December, which many JCDA Commissioners and the executive director attended.

5. Mark-Up-to Market Study

- LHP has initiated, in conjunction with JCDA staff, another Mark-Up-to Market study to evaluate the market rent comparison.
- The real estate review has been requested.
- The final report and analysis will be returned to JCDA with a recommendation and a request for a vote in the next few months.

Action Requested: None

Johnson City Development Authority

John Sevier Center Disposition Report

January 2023

The disposition of the John Sevier Center project has moved into its final stage.

Transfer Approved:

U.S. Department of Housing and Urban Development approved the transfer of Section 8 vouchers from Project A from Project A, the John Sevier Center at 141 East Market Street to Project B, Tapestry at Roan Hill, 2162 South Roan Street, Johnson City, Tennessee, as stipulated by agreements and HUD.

Financing Established and Closing Completed:

The financing and land purchase was completed in December 2023.

Groundbreaking Planned:

LHP is rescheduling the ground breaking for the Tapestry at Roan Hill for February 2024.

John Sevier Center Residents Move

Construction would require approximately 18 to 24 months. The eligible residents would move to the new residences in December 2025, depending on construction progress.

Redevelopment of the John Sevier Center:

- July 2023 through October 2023 the John Sevier Anchor Block Working Group met to identify the project pathway and the development advisory professionals best suited to assist the JCDA and the City of Johnson City to redevelop the John Sevier Center and the Downtown Centre.
- The City of Johnson City is handling the request for proposal process for a consultant to provide a highest and best use and market study, as an initial phase of an RFQ/RFP process. The RFP call will be issued through the City's procurement process. The results are anticipated six months following firm selection.

Action requested: None

Johnson City Development Authority

Downtown Centre Report

January 2024

A. Building Operations and Maintenance Update

1. Building Updates:

- The Johnson City Police Department began moving into the building in December.
- Following the November lease approval, ETSU has begun accepting building responsibilities. JCDA staff has continued to work with ETSU on transferring various building management matters, from security, keys, HVAC, to the parking garage.
- Staff is working with East Tennessee State University to transfer utilities and security billing, which will be prorated from December 15, forward.
- Broadband for security cameras currently is being paid monthly by JCDA. Staff is discussing camera access and management with ETSU.
- The parking garage will be examined for additional needs and repairs. During the recent winter storm, water entered the interior building in at least three areas.
- Contractors have performed repairs to the cooling tower, which reduced the water utility bill significantly.
- During January, the HVAC system was not providing heat. Due to impending cold weather risks, at the request of ETSU, JCDA had Cox Management evaluate the issue and have a contractor work on the heat. Currently, one of two boilers is operating, which prevented pipe damage. Repairs are underway.
- Cox Property Management has continued working with JCDA staff to monitor the building and assist with repairs during the transition to ETSU.

2. Cost Update:

- The lease between ETSU and JCDA has been executed.
- Initially, staff estimated that costs for 2023 would be approximately \$85,000, including a 10% contingency amount. As of December, approximately \$60,000 in expenses have been paid. Deposits were unnecessary and utility bills were less than anticipated during vacancy. Estimates excluded substantial repairs and design or construction costs and any revenue potential.
- Staff anticipates expenses to impact the budget for at least the month of January, due to monthly billing cycles, but also anticipates the December 15 to January 15 first month revenue once invoices are set up through the ETSU and State system.

3. Parking Garage Opening:

- During February, the Operations Committee will begin to determine how to begin operating the parking garage with public access.
- Staff continues to collaborate with ETSU parking leadership on parking operation details.

B. Potential Funding Allocation Request Update and TIF Request

- A request for use of Tax Increment Funding approval for cameras and security for the Downtown Centre has been approved by the JCDA TIF Advisory Committee, the JCDA and is going through the proper Washington County Commission committees and full Commission.
- Staff is proceeding under advisement from Nashville attorney Jim Murphy, of Bradley.

Action Needed: None

Johnson City Development Authority

TIF Advisory Committee Report

January 2024

- Due to weather, the TIF Advisory Committee meeting met at 8AM, Monday, January 22.
- The agenda included the request to revise the amount of the John Sevier Center TIF request, to increase the roof amount to \$400,000.
- Please see the revised TIF Advisory Committee staff report for the John Sevier Center, as attached, for the revised amount and total John Sevier request. The separate Downtown Centre request will remain the same.
- Additionally, the TIF Advisory Committee discussed the Executive Director's discussions with James L. Murphy III, attorney with Bradley. The Executive Director, Mr. Murphy, and County Attorney Allyson Wilkinson held a phone call to allow for collaboration about TIF.
- A number of items were discussed, but concerning debt vs JCDA internal "loans" to other funds that are part of JCDA, Mr. Murphy stated that the JCDA would need to "enter into an agreement that would be characterized as a 'bond, loan, or other form of indebtedness' in order to use the increment to pay off the obligation. A direct reimbursement by JCDA to JCDA would not meet that requirement. If JCDA entered into a short-term loan agreement with a lender to reimburse JCDA for its expenditures, it could then use the accumulated increment to pay off the loan."
- The Executive Director attended Washington County Commission on January 22 to be available for questions. Staff will return to the Washington County CIA meeting in February to request the amended amount, as approved by TIF Advisory Committee. The request, depending on the advice of counsel, will request to appear on the February full Washington County Commission agenda.

Action Needed: Yes – Three Items

Item 1 Recommendation: John Sevier Center TIF

(Updated) TIF Advisory Committee recommended in favor of the JCDA amending the original TIF request to reflect the \$70,000 increase to the roof amount to \$400,000 for a total of \$715, 383 for 141 E. Market St. (John Sevier).

Item 2 Recommendation: Façade Recommendation 117 West Fairview Avenue

(Updated) TIF Advisory Committee recommended in favor of the JCDA providing a \$10,000 primary façade grant for 117 W. Fairview Avenue TIF request.

Item 3 Recommendation: Lending

As discussed by the Finance Committee, staff requests that JCDA vote to permit the Executive Director to continue to coordinate lending opportunities on behalf of the JCDA, while working with Chairman Castillo, BCS, the Comptroller of the Treasury, and TIF Counsel Jim Murphy, to bring final options and proposed agreements to the JCDA for a vote.

Johnson City Development Authority
TIF Advisory Committee

**Downtown Johnson City Redevelopment Plan Area
TIF Project Funding Request**

Original Date of Application: November 3, 2023 **Revisiting Roofing Estimates:** January 12, 2024

Staff: Patricia C. Oldham, AICP, TEcd, JCDA Executive Director

Tax Parcel ID	46M E 34.00
Address:	141 East Market Street
Applicant:	Johnson City Development Authority
Owner of Record:	Johnson City Development Authority
Representatives:	Shannon Castillo, Chairman
Occupied/Vacant?	Occupied
Taxes Paid in Full?	Yes
Insurance?	Current
Redevelopment Plan Area Only?	No
Historic Zoning District?	Yes
Historic Zoning Certificate of Appropriateness Date Issued?	N/A Not required—Interior and Roof

Revenue Generating Commercial Property or Mixed Use? Multi-Family Residential



Capital Investment John Sevier Center Through End of FY2023

DOOR	\$	53,049
FIRE	\$	69,005
LIGHTS	\$	4,184
MASONARY	\$	7,500
FASCIA	\$	8,884
ROOF	\$	117,260
SHEETROCK	\$	40,995
WINDOW	\$	2,599
ELEVATOR MODERNIZATION	\$	397,509
TOTAL CAPITAL INVESTMENT	\$	700,983
CONTRIBUTION BY CITY OF JC FOR ELEVATOR MOD.	\$	385,600
TOTAL CAPITAL INVESTMENT REQUEST FROM TIF	\$	315,383

Capital Investment John Sevier Center Upcoming Roof Replacement



Replacing Sections
A, B, C, D: **\$400,000**

Agenda Item #4.4.4.

The Johnson City Development Authority is requesting funding from tax increment financing to pay for expenses related to the **improvements** made to the John Sevier Center that was purchased by the Johnson City Development Authority **in the interest of public health, safety, and welfare of its occupants** and the redevelopment of downtown Johnson City. The building had been experiencing numerous problems with major mechanical systems and overall living conditions. Staff and LHP Management have analyzed expenses to be certain that the work included has been capital investment life safety matters, doors, fire pump, sprinklers, security doors, exit lighting, water supply, and similar expenses. All invoices from the work are available for review. Any expenditures that were not capital expenses related to the improvement of safety, security, codes, and HUD REAC improvements have been excluded from the improvements request, which is a subtotal of **\$315,383.00**. (Expenses were through FY23.) Please note that the City of Johnson City contributed \$400,000 in direct funding toward the full modernization of the two passenger elevators, as both had ceased operating safely in 2022.

Secondly, the current needs include remaining **roof work**. Initial roof replacement was completed on one of five roofs. The remaining need to be replaced to stabilize the building and protect the residents and the building, a publicly held investment for redevelopment on behalf of the community. The updated cost, per estimates that were received, is approximately **\$400,000.00**.

The **total costs** of what has been spent on capital improvements for this request, combined with the need for upcoming roof replacements is **\$715,383.00**.

The property will not necessarily appreciate further, however, the investments made to the building have improved safety, stabilized the building, allowed for a passing inspection by the U.S. Department of Housing and Urban Development, and show investment in the building toward the future use of the building.

Recommendation: Staff recommends that the TIF Advisory Committee revise the original roof request amount to \$400,000 (plus cost of interest to be determined) for TIF funding recommendation of a combined total of \$715,383 (\$315,383 capital improvements and \$400,000 roof) to be forwarded to the Johnson City Development Authority at the regular meeting on January 26, 2024. Staff further recommends that during the January meeting, the JCDA also would discuss any lending necessary for the roof amount and the capital improvement funds. The recommendation will be sent to the Washington County Commission Commerce Industry and Agriculture Committee for review and recommendation to the Washington County Commission for the February 2024 meeting. All documents would continue to be coordinated with attorney of record, Mr. James L. Murphy III of Bradley Arant Boult Cummings who would develop any TIF agreements necessary.

Johnson City Development Authority
TIF Advisory Committee

**Downtown Johnson City Redevelopment Plan Area
Façade Grant Funding Request**

Date: January 11, 2024 (Revised)

Staff: Patricia C. Oldham, AICP, TEd, JCDA Executive Director

046N J 003.00

Tax Parcel ID

Address:

117 West Fairview Avenue

Applicant:

Jessie Shelton

Owner of Record:

Jessie Shelton

Representatives:

The Philosopher's House-Manager, Ren Allen
Property Owner, Jessie Shelton

Occupied/Vacant

Occupied-Commercial

Taxes in Full

Current

Insurance

Current

Redevelopment Plan Area Only

Yes

Historic Zoning District

No

Historic Zoning Certificate of Appropriateness

Not required. Email from City.

Date Issued?

Primary Facing Façade Eligible

\$10,000 (see calculations and maximums)

**Revenue Generating Commercial Property or
Mixed Use?**

Yes – First Floor Commercial Space/Upper Tea House
and Community Activity Space



Agenda Item #4.4.4.

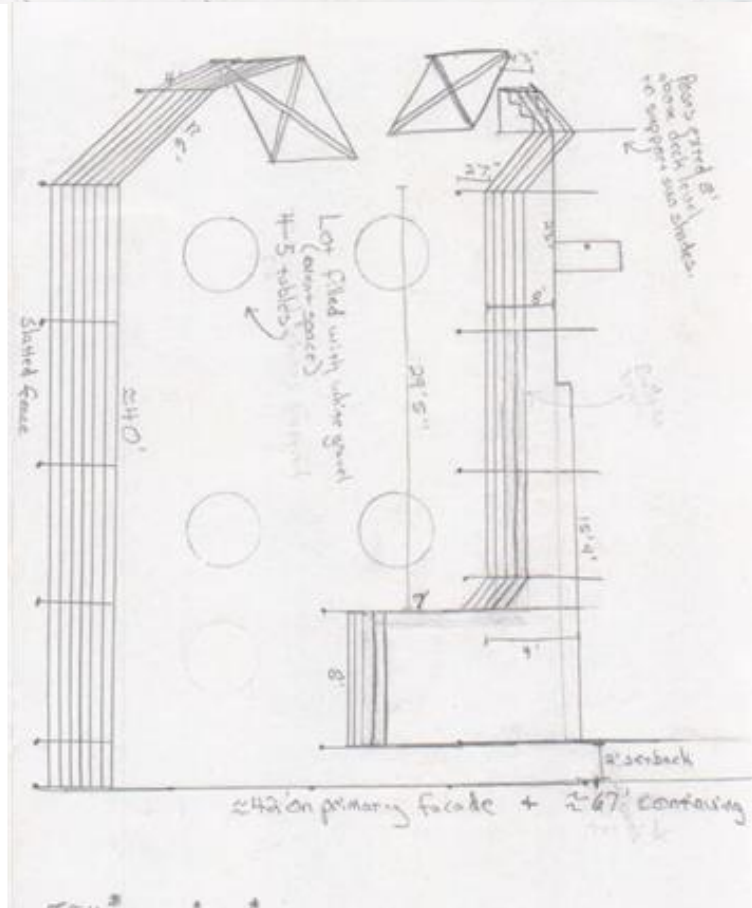
The applicant would improve one façade by building a deck and stairs onto the ground level of the Boone Street façade. The primary facade faces Boone Street, but is addressed on W. Fairview. The Historic Zoning Commission does not issue a Certificate of Appropriateness since the property is outside the historic zoning overlay boundary. However, in order to be eligible for TIF Façade Program funds, the project must be reviewed by staff to state that it meets the same requirements. City Development Services staff provided an email stating that they did not see any other requirements needed to be met.

The total cost of the construction would be, as estimated, **\$23,200.42**. The primary façade is eligible for up a maximum of 50% of the cost, excluding labor by an owner without a second quote, not to exceed \$10,000, therefore, **the allowable amount is \$10,000**. Two professional estimates were received with the application.

Façade Area	Estimated Costs (See Max %)*	Maximum %	Mutiplied by Percentage of Reimburse ment from	Total final amount eligible for Reimbursement
Primary Façade A	\$ 23,200.00	0.5	\$ 11,600.00	\$ 10,000.00
Street Facing Façade B	0	0.25	N/A	0
Street Facing Façade C	0	0.25	N/A	0
Total Costs	\$ 23,200.00		Total request = \$	10,000.00
Primary Facing Façade Up to \$10K				
Street Facing Side Up to \$5K				
<i>*Excludes self labor, unless separate quote obtained</i>	\$ 12,500.00	Labor	<i>Two quotes from independent contractors</i>	
Total Job Cost/Investment:	\$ 23,200.00			

Deck area for dining on the western side of the building is to amend the primary façade. The project would add bench seating, 6' picket fencing, two gates, and outdoor dining space with sun sail shades.





Recommendation:

Staff recommends approval of the primary façade eligibility amount of \$10,000 for the primary façade maximum, for the façade design improvements included in the application.

Johnson City Development Authority

Human Resources Report

January 2024

The Human Resources Committee performed a written review and evaluation of the Executive Director during December and January. Additional information will be available from the members of the Human Resources Committee.

**JCDA
Human Resources Committee Report
January 2024**

Summary: The HR Committee (Hank Carr, Shannon Castillo, Jodi Jones, Bob Cooper, and Jack Simpson) undertook a formal review process, similar to the review process conducted in previous years with the express goal of providing feedback to the ED on job performance and any warranted compensation adjustment. The review was first conducted by the ED and then each HR Committee member provided independent feedback which was then assimilated by the Chair of the HR Committee into the attached report anonymously. The report speaks for itself.

Recommendation: Based on the annual review scoring results, the HR Committee discussed recommending the JCDA approve the following compensation and bonus award for the ED.

- Base compensation increased by 3% from \$85,000 to \$87,500 annually beginning January 1, 2024.
- In recognition for the significant accomplishments by the ED in the areas measured by questions 2,3, & 5, the JCDA Human Resources Committee is recommending a performance bonus payout of \$4,250 as prescribed by the ED's offer of employment equal to 50% of the bonus potential is paid in the following areas:
 - Leadership, Professionalism, Work Ethic
 - Financial Performance & Accountability
 - Organization and Administration
- This amount is to be paid by January 31, 2024, or as soon as funds are available.
- In recognition of the opportunities for improvement as outlined in questions 1, 6, & 7 of the review, the JCDA Human Resources Committee is recommending the ED participate in professional coaching for a period of 6 months with a focus in the following areas:
 - Execution of strategic initiatives
 - Communication (external & internal)
 - Relationship Building with Strategic Partners

Agenda Item #4.4.5.

The ED will identify an executive coach by January 31st and submit the outline to the JCDA Human Resource Committee for approval. The cost of the coaching will be paid by the JCDA from the education fund building up on behalf of the ED. The executive coach will report to the JCDA board chair monthly on accomplishments and meet with the Human Resource Committee by July 30, 2024 to review progress and determine if the investment is producing the desired results.

Johnson City Development Authority

Finance Committee Report

January 2024

The JCDA Finance Committee convened at 12:30PM on January 18, 2024, at the JCDA office, with Board of Director members Freddie Malone, Shannon Castillo, Ernest Campbell, Bob Cooper, Executive Director Patricia “Tish” Oldham, Sydni Leonard, and representative of the David Ellis, CPA Firm, Daniel McIntosh present virtually. Not in attendance was Board of Director Member, Jack Simpson.

Items reviewed included:

1. JCDA General Fund Financials November and December
2. JCDA Special Reserve TIF Fund Financials November and December
3. John Sevier Center Financials November and December
4. John Sevier Center Current Cap Expense Rates and FY Projections
5. Tax Increment Financing Request with Debt and Repayment Discussion
6. Downtown Centre

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

5.1.1 APPROVE NOVEMBER 2023 JCDA GENERAL FUND FINANCIALS

Summary / Action

The November 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 Campbell/Castillo) Motion passed.

5.1.2 APPROVE DECEMBER 2023 JCDA GENERAL FUND FINANCIALS

Summary / Action

The December 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 Castillo/Cooper) Motion passed.

5.2.1 APPROVE NOVEMBER 2023 JCDA SPECIAL RESERVE TIF FUND FINANCIALS

Summary / Action

The November 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 Cooper/Castillo) Motion passed.

Johnson City Development Authority Meeting: January 26, 2024

5.2.2 APPROVE DECEMBER 2023 JCDA SPECIAL RESERVE TIF FUND FINANCIALS

Summary / Action

The December 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 Campbell/Cooper) Motion passed.

5.3.1 FORWARD NOVEMBER 2023 JOHN SEVIER CENTER FINANCIALS

Summary / Action

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

5.3.2 FORWARD DECEMBER 2023 JOHN SEVIER CENTER FINANCIALS

Summary / Action

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

Additional matters included:

- John Sevier Center Current Cap Expense Rates and FY Projections:
 - The capital expense budget (June 2023) anticipated possible expenses for property improvements potentially required by a 2024 HUD inspection, basement water mitigation, generator replacement, and other apartment unit turnover capital expenses.
 - To date, in the current fiscal year, funds set aside in the John Sevier capital reserve account have not been utilized for capital expenses.
 - Revenues provided by apartment rentals have covered the unit turnover capital expenses.
 - The finance committee will continue to monitor the capital expense requirements as the fiscal year progresses to determine if any portion of reserve funds not needed in the current fiscal year should be reallocated.

- Tax Increment Financing Request with Debt and Repayment Discussion:
 - Executive Director Oldham provided an update about the Washington County Commercial, Industrial, and Agricultural Committee meeting and TIF requests. The discussion further covered the need to correctly account for TIF funding should the request reach final approval.
 - Staff and Daniel McIntosh agreed to research the accounting of the funding further with Blackburn, Childers, and Steagall, as well as contact the appropriate State of Tennessee Treasury representatives before finalizing any actions. ***For further discussion see TIF Committee Report.***

Agenda Item #4.4.6.

- Downtown Centre:
 - Staff reported that lease revenue from East Tennessee State University is in arrears per the lease contract and January should realize the first lease payment.
 - In addition, staff has shared the need for further parking garage assessment to address water leaks in the building which the committee anticipates will cost more the than \$25,000 threshold per incident, which the lessor is to cover.

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 Five Months Ended November 30, 2023

**JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND
BALANCE SHEET
November 30, 2023**

ASSETS

Current Assets

Cash

HomeTrust Operating	\$	1,959
Home Trust Savings		<u>165,353</u>

Total Cash 167,312

Rental Security Deposits 600

Prepaid Expense 1,933

Receivable 9,750

Due to/From Other Funds 458,403

John Sevier Capital Repair Loan 117,534

Total Current Assets \$ 755,532

LIABILITIES

Accounts Payable	\$	8,603
Due to JSC Securty Fund		<u>10,000</u>

Total Liabilities 18,603

FUND BALANCES

Unassigned		<u>736,929</u>
------------	--	----------------

Total Fund Balances 736,929

Total Liabilities and Fund Balances \$ 755,532

**JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Five Months Ended November 30, 2023**

REVENUE

Operating Revenue - City of JC	\$	170,000	
Lease Income - Downtown Centre		2,000	
Interest Income		2,818	
Total Revenue			174,818

EXPENSE

Salaries	\$	87,849	
Audit Fees		16,000	
Office Rent		9,665	
Payroll Taxes		6,720	
Downtown Centre Expenses:			
Contract Labor IT		3,580	
Property and Liability Insurance		4,190	
Camera and IT Equipment		31,062	
Contract Labor Property Management		1,792	
Contract Labor Others		942	
Utilities		9,130	
Other Expenses		3,462	
Accounting Fees		5,000	
Insurance - Directors and Officers		3,966	
Employee Benefits		3,553	
Computer/IT Support		1,725	
Internet		1,050	
Outside Contract Services		564	
Cell and Office Phones		716	
Office Supplies		489	
Meals & Entertainment		459	
Worker's Compensation		504	
Bank Fees		455	
Payroll Service Fees		471	
Legal Fees		310	
Transportation/Mileage		272	
Miscellaneous		265	
Printing Services		372	
Legal Advertising		191	
Conference/Education		130	
Employee Parking		150	
Postage and Shipping		66	
Total Expenses			195,100

Excess (Deficiency) of Revenues Over (Under) Expenditures			(20,282)
Fund Balances, Beginning of Fiscal Year			757,211
Fund Balances, End of Five Months			\$ 736,929

**JOHNSON CITY DEVELOPMENT AUTHORITY
BUDGET TO ACTUAL
For the Five Months Ended November 30, 2023**

	November Actual	November Budget	November Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE						
Operating Revenue - City of JC	\$ -	\$ -	\$ -	\$ 170,000	\$ 170,000	\$ -
Lease Income - Downtown Centre	-	-	-	2,000	2,000	-
Interest Income	622	29	593	2,818	146	2,672
Total Revenue	622	29	593	174,818	172,146	2,672
EXPENSE						
Salaries	14,573	18,432	(3,859)	87,849	92,159	(4,310)
Office Rent	1,933	1,933	-	9,665	9,665	-
Audit Fees	-	1,333	(1,333)	16,000	6,667	9,333
Payroll Taxes	1,115	1,410	(295)	6,720	7,050	(330)
Employee Benefits	888	1,650	(762)	3,553	8,250	(4,697)
Internet	50	121	(71)	1,050	604	446
Accounting Fees	1,000	1,167	(167)	5,000	5,833	(833)
Insurance - Directors and Officers	3,966	-	3,966	3,966	-	3,966
Computer/IT Support	315	718	(403)	1,725	3,593	(1,868)
Property Coverage	-	-	-	-	4,250	(4,250)
Outside Contract Services	-	667	(667)	564	3,333	(2,769)
Printing Services	158	150	8	372	750	(378)
Miscellaneous	-	82	(82)	265	418	(153)
Legal Fees	-	167	(167)	310	833	(523)
Furniture and Equipment	-	333	(333)	-	1,667	(1,667)
Cleaning Supplies	-	83	(83)	-	417	(417)
Professional Services	-	42	(42)	-	208	(208)
Worker's Compensation	110	-	110	504	450	54
Employee Parking	30	-	30	150	-	150
Downtown Centre Expenses						
Contract Labor IT	-	-	-	3,580	-	3,580
Property and Liability Insurance	-	-	-	4,190	-	4,190
Camera and IT Equipment	-	-	-	31,062	-	31,062
Contract Labor Property Management	759	-	759	1,792	-	1,792
Contract Labor Others	185	-	185	942	-	942
Utilities	6,252	-	-	9,130	-	9,130
Other Expenses	1,510	-	1,510	3,462	-	3,462
Conference/Education	-	167	(167)	130	833	(703)
Office Supplies	-	167	(167)	489	833	(344)
Cell and Office Phones	144	149	(5)	716	746	(30)
Payroll Service Fees	88	117	(29)	471	583	(112)
Legal Advertising	-	42	(42)	191	208	(17)
Retirement Contributions	-	553	(553)	-	2,765	(2,765)
Bank Fees	65	42	23	455	208	247
Transportation/Mileage	-	42	(42)	272	208	64
Memberships/Dues/Subscriptions	-	83	(83)	-	417	(417)
Meals & Entertainment	25	83	(58)	459	417	42
Marketing/Advertising	-	42	(42)	-	208	(208)
Benefits Administration	-	18	(18)	-	92	(92)
Postage and Shipping	-	32	(32)	66	160	(94)
Total Expenses	33,166	29,825	(2,911)	195,100	153,825	41,275
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (32,544)	\$ (29,796)	\$ 3,504	\$ (20,282)	\$ 18,321	\$ (38,603)

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 Six Months Ended December 31, 2023

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

ASSETS		
Cash		
HomeTrust Operating	\$ 37,663	
Home Trust Savings	<u>125,809</u>	
Total Cash		163,472
Current Assets		
Rental Security Deposits	600	
Due to/From Other Funds	458,403	
John Sevier Capital Repair Loan	<u>98,034</u>	
Total Current Assets		<u>557,037</u>
Total Assets		<u><u>\$ 720,509</u></u>
LIABILITIES		
Accounts Payable	<u>\$ 3,013</u>	
Total Liabilities		<u>3,013</u>
FUND BALANCES		
Unassigned	<u>717,496</u>	
Total Fund Balances		<u>717,496</u>
Total Liabilities and Fund Balances		<u><u>\$ 720,509</u></u>

**JOHNSON CITY DEVELOPMENT AUTHORITY
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Six Months Ended December 31, 2023**

REVENUE

Operating Revenue - City of JC	\$	170,000
Lease Income - Downtown Centre		2,000
Interest Income		3,273
		175,273
Total Revenue		175,273

EXPENSE

Salaries	\$	99,001
Audit Fees		16,000
Office Rent		11,598
Payroll Taxes		7,574
Downtown Centre Expenses:		
Contract Labor IT		3,580
Property and Liability Insurance		4,190
Camera and IT Equipment		31,062
Contract Labor Property Management		2,403
Contract Labor Others		1,046
Utilities		13,038
Other Expenses		2,683
Accounting Fees		5,000
Employee Benefits		4,441
Insurance - Directors and Officers		3,966
Computer/IT Support		1,950
Internet		1,100
Cell and Office Phones		807
Legal Fees		635
Printing Services		628
Office Supplies		595
Outside Contract Services		564
Payroll Service Fees		557
Meals & Entertainment		544
Worker's Compensation		504
Bank Fees		490
Membership/Dues/Subscriptions		380
Legal Advertising		264
Miscellaneous		172
Employee Parking		150
Postage and Shipping		66
		214,988
Total Expenses		214,988

Excess (Deficiency) of Revenues Over (Under) Expenditures		(39,715)
Fund Balances, Beginning of Fiscal Year		757,211
Fund Balances, End of Six Months		\$ 717,496

JOHNSON CITY DEVELOPMENT AUTHORITY

BUDGET TO ACTUAL

For the Six Months Ended December 31, 2023

	December Actual	December Budget	December Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE						
Operating Revenue - City of JC	\$ -	\$ -	\$ -	\$ 170,000	\$ 170,000	\$ -
Lease Income - Downtown Centre	-	-	-	2,000	2,000	-
Administrative fee	-	30,000	(30,000)	-	30,000	(30,000)
Interest Income	456	29	427	3,273	175	3,098
Total Revenue	456	30,029	(29,573)	175,273	202,175	(26,902)
EXPENSE						
Salaries	11,152	18,432	(7,280)	99,001	110,591	(11,590)
Office Rent	1,933	1,933	-	11,598	11,598	-
Audit Fees	-	1,333	(1,333)	16,000	8,000	8,000
Payroll Taxes	853	1,410	(557)	7,574	8,460	(886)
Employee Benefits	888	1,650	(762)	4,441	9,900	(5,459)
Internet	50	121	(71)	1,100	725	375
Accounting Fees	-	1,167	(1,167)	5,000	7,000	(2,000)
Insurance - Directors and Officers	-	4,000	(4,000)	3,966	4,000	(34)
Computer/IT Support	225	718	(493)	1,950	4,311	(2,361)
Property Coverage	-	1,500	(1,500)	-	5,750	(5,750)
Outside Contract Services	-	667	(667)	564	4,000	(3,436)
Printing Services	257	150	107	628	900	(272)
Miscellaneous	-	82	(82)	172	500	(328)
Legal Fees	-	167	(167)	635	1,000	(365)
Furniture and Equipment	-	333	(333)	-	2,000	(2,000)
Cleaning Supplies	-	83	(83)	-	500	(500)
Professional Services	-	42	(42)	-	250	(250)
Worker's Compensation	-	-	-	504	450	54
Employee Parking	-	-	-	150	-	150
Downtown Centre Expenses						
Contract Labor IT	-	-	-	3,580	-	3,580
Property and Liability Insurance	-	-	-	4,190	-	4,190
Camera and IT Equipment	-	-	-	31,062	-	31,062
Contract Labor Property Management	610	-	610	2,403	-	2,403
Contract Labor Others	103	-	103	1,046	-	1,046
Utilities	3,037	-	-	13,038	-	13,038
Other Expenses	-	-	-	2,683	-	2,683
Conference/Education	(220)	167	(387)	-	1,000	(1,000)
Office Supplies	106	167	(61)	595	1,000	(405)
Cell and Office Phones	91	149	(58)	807	895	(88)
Payroll Service Fees	86	117	(31)	557	700	(143)
Legal Advertising	-	42	(42)	264	250	14
Retirement Contributions	-	553	(553)	-	3,318	(3,318)
Bank Fees	35	42	(7)	490	250	240
Transportation/Mileage	(272)	42	(314)	-	250	(250)
Memberships/Dues/Subscriptions	380	83	297	380	500	(120)
Meals & Entertainment	85	83	2	544	500	44
Marketing/Advertising	-	42	(42)	-	250	(250)
Benefits Administration	-	18	(18)	-	110	(110)
Postage and Shipping	-	32	(32)	66	191	(125)
Total Expenses	19,399	35,325	(18,963)	214,988	189,149	25,839
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (18,943)	\$ (5,296)	\$ (10,610)	\$ (39,715)	\$ 13,026	\$ (52,741)

DAVID M. ELLIS

Certified Public Accountant
Member, American Institute of
Certified Public Accountants

Member, Tennessee Society of
Certified Public Accountants

JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND - TIF

FINANCIAL STATEMENTS

For the Five Months Ended November 30, 2023

**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
BALANCE SHEET
November 30, 2023**

ASSETS

Current Assets

Cash

HomeTrust Bank Money Market	\$ 2,059,765
HomeTrust Bank Downtown Centre Fund	206,828
Eastman Credit Union Savings	<u>7</u>

Total Current Assets	<u>\$ 2,266,600</u>
----------------------	---------------------

Total Assets	<u><u>\$ 2,266,600</u></u>
--------------	----------------------------

FUND BALANCES

Restricted for Tax Increment Financing Projects	\$ 2,221,600
Assigned	<u>45,000</u>

Total Fund Balances	<u>2,266,600</u>
---------------------	------------------

Total Fund Balances	<u><u>\$ 2,266,600</u></u>
---------------------	----------------------------

**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Five Months Ended November 30, 2023**

REVENUE		
City of Johnson City Funding	\$	448,429
Interest Income		<u>37,230</u>
Total Revenue		\$ 485,659
EXPENSE		
Administrative		
Legal Fees	\$	338
Downtown Development - Facade Grants		10,000
Debt Service		
Downtown Centre - Principal		162,024
Downtown Centre - Interest		37,483
Downtown Pavilion - Principal		112,200
Downtown Pavilion - Interest		22,008
Model Mill - Interest		19,515
Triple G - Interest		5,346
MMM Enterprises - Interest		<u>3,231</u>
Total Expenditures		<u>372,145</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		113,514
Fund Balances, Beginning of Fiscal Year		<u>2,153,086</u>
Fund Balances, End of Five Months		<u><u>\$ 2,266,600</u></u>

**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
BUDGET TO ACTUAL
For the Five Months Ended November 30, 2023**

	November Actual	November Budget	November Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE						
City of Johnson City Funding	\$ -	\$ 10,000	\$ (10,000)	\$ 448,429	\$ 450,000	\$ (1,571)
Interest Income	7,476	417	7,059	37,230	2,083	35,147
Total Revenue	7,476	10,417	(2,941)	485,659	\$ 452,083	33,576
EXPENDITURES						
Legal Fees	-	833	(833)	338	4,167	(3,829)
Downtown Development - Facade Grants	-	18,750	(18,750)	10,000	37,500	(27,500)
Debt Service						
Downtown Centre - Principal	162,024	155,230	6,794	162,024	155,230	6,794
Downtown Centre - Interest	37,483	44,277	(6,794)	37,483	44,277	(6,794)
Downtown Pavilion - Principal	-	-	-	112,200	109,725	2,475
Downtown Pavilion - Interest	-	-	-	22,008	25,167	(3,159)
Model Mill - Interest	9,775	10,427	(652)	19,515	20,811	(1,296)
Triple G - Interest	2,683	3,067	(384)	5,346	6,108	(762)
MMM Enterprises - Interest	1,622	1,854	(232)	3,231	3,692	(461)
Buffalo Street Boardwalk	-	-	-		22,500	(22,500)
Total Expenditures	213,587	234,438	(20,851)	372,145	429,177	(57,032)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (206,111)	\$ (224,021)	\$ 17,910	\$ 113,514	\$ 22,906	\$ 90,608

DAVID M. ELLIS

Certified Public Accountant
Member, American Institute of
Certified Public Accountants

Member, Tennessee Society of
Certified Public Accountants

JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND - TIF

FINANCIAL STATEMENTS

For the Six Months Ended December 31, 2023

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

ASSETS

Current Assets

Cash

HomeTrust Bank Money Market	\$ 2,066,762
HomeTrust Bank Downtown Centre Fund	207,531
Eastman Credit Union Savings	<u>7</u>

Total Current Assets	\$ 2,274,300
----------------------	--------------

Total Assets	\$ 2,274,300
--------------	--------------

FUND BALANCES

Restricted for Tax Increment Financing Projects	\$ 2,229,300
Assigned	<u>45,000</u>

Total Fund Balances	2,274,300
---------------------	-----------

Total Fund Balances	\$ 2,274,300
---------------------	--------------

**JOHNSON CITY DEVELOPMENT AUTHORITY
SPECIAL REVENUE FUND-TIF
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Six Months Ended December 31, 2023**

REVENUE		
City of Johnson City Funding	\$	448,429
Interest Income		<u>44,930</u>
Total Revenue		\$ 493,359
EXPENSE		
Administrative		
Legal Fees	\$	338
Downtown Development - Facade Grants		10,000
Debt Service		
Downtown Centre - Principal		162,024
Downtown Centre - Interest		37,483
Downtown Pavilion - Principal		112,200
Downtown Pavilion - Interest		22,008
Model Mill - Interest		19,515
Triple G - Interest		5,346
MMM Enterprises - Interest		<u>3,231</u>
Total Expenditures		<u>372,145</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		121,214
Fund Balances, Beginning of Fiscal Year		<u>2,153,086</u>
Fund Balances, End of Six Months		<u><u>\$ 2,274,300</u></u>

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

	December Actual	December Budget	December Variance	Year to Date Actual	Year to Date Budget	Variance
REVENUE						
City of Johnson City Funding	\$ -	\$ -	\$ -	\$ 448,429	\$ 450,000	\$ (1,571)
Interest Income	7,700	417	7,283	44,930	2,500	42,430
Total Revenue	7,700	417	7,283	493,359	\$ 452,500	40,859
EXPENDITURES						
Legal Fees	-	833	(833)	338	5,000	(4,662)
Downtown Development - Facade Grants	-	-	-	10,000	37,500	(27,500)
Debt Service						
Downtown Centre - Principal	-	-	-	162,024	155,230	6,794
Downtown Centre - Interest	-	-	-	37,483	44,277	(6,794)
Downtown Pavilion - Principal	-	-	-	112,200	109,725	2,475
Downtown Pavilion - Interest	-	-	-	22,008	25,167	(3,159)
Model Mill - Interest	-	-	-	19,515	20,811	(1,296)
Triple G - Interest	-	-	-	5,346	6,108	(762)
MMM Enterprises - Interest	-	-	-	3,231	3,692	(461)
Buffalo Street Boardwalk	-	-	-	-	22,500	(22,500)
Total Expenditures	-	833	(833)	372,145	430,010	(57,865)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 7,700	\$ (416)	\$ 8,116	\$ 121,214	\$ 22,490	\$ 98,724

John Sevier Center

Monthly Financial Reports

Balance Sheet
Income Statement

November 30, 2023

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

Accrual YE13

Nov 2023

12/6/2023 12:54

ASSETS

CASH

Current Assets

Cash-Operating	121,341.64
Cash-Petty Cash	100.00
Tenant AR	3,742.90
Allowance Doubtful Accts	(863.58)
AR/AP-HUD	18,851.00
AR-Other	215.50
Security Deposits	39,793.13
Prepaid Expenses	7,207.45
Prepaid Insurance	618.00
Replacement Reserve	<u>101,165.07</u>

TOTAL CURRENT ASSETS 292,171.11

FIXED ASSETS

Land	79,300.00
Buildings	5,086,483.00
Furniture for Project Use	34,952.00
Accumulated Depreciation	<u>(488,374.32)</u>

TOTAL FIXED ASSETS 4,712,360.68

OTHER ASSETS

TOTAL OTHER ASSETS 0.00

TOTAL ASSETS 5,004,531.79

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

Accrual YE13

Nov 2023

12/6/2023 12:54

LIABILITIES & CAPITAL

LIABILITIES

Current Liabilities

AP - Operations	15,985.13
AP - Other	27,270.22
AP-Failure to Report Claims	458.00
AP-Failure to Report Repayments	(300.00)
Accrued Wages Payable	2,948.09
Accrued Mgmt Fee Payable	13,385.79
Accrued Interest-1st Mort	14,423.15
Accrued Property Taxes	38,474.35
Accrued Expenses	5,814.89
Accrued Audit Fees	10,187.50
Security Deposit	32,488.00
Pet Deposit	1,137.00
Prepaid/Unearned Rent	6,488.65
Prepaid HUD	8,513.00

TOTAL CURRENT LIABILITIES 177,273.77

OTHER LIABILITIES

Mortgage Payable - 1st	3,802,012.31
Due to Other Funds - JCDA	566,186.50

TOTAL OTHER LIABILITIES 4,368,198.81

TOTAL LIABILITIES 4,545,472.58

CAPITAL

Owner Equity	278,231.90
Net Profit (Loss)	180,827.31

TOTAL CAPITAL 459,059.21

TOTAL LIABILITIES & CAPITAL **5,004,531.79**

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

Accrual^YE13
For the period ending November 30, 2023

12/6/2023 13:14

Account	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance
Revenue						
Tenant Rent Revenue	35,246.00	164,340.00	(129,094.00)	179,795.00	809,505.00	(629,710.00)
HUD Assistance	129,094.00	0.00	129,094.00	629,710.00	0.00	629,710.00
Total Gross Potential	164,340.00	164,340.00	0.00	809,505.00	809,505.00	0.00
VACANCY LOSS & CONCESSIONS						
Special Claims Revenue	290.00	2,953.25	(2,663.25)	12,217.00	14,766.25	(2,549.25)
Apartment Vacancy	(4,241.00)	(4,474.62)	233.62	(26,821.00)	(22,373.10)	(4,447.90)
Total Vacancy Loss & Concessions	(3,951.00)	(1,521.37)	(2,429.63)	(14,604.00)	(7,606.85)	(6,997.15)
OTHER INCOME						
Laundry & Vending Revenue	138.54	108.33	30.21	1,549.28	541.65	1,007.63
Misc Tenant Charges	724.26	600.00	124.26	1,885.94	3,000.00	(1,114.06)
Late Fees	342.71	333.33	9.38	1,058.95	1,666.65	(607.70)
Damages	409.50	281.25	128.25	2,624.72	1,406.25	1,218.47
Other Income	10,283.60	10,205.75	77.85	51,330.54	51,028.75	301.79
Total Other Income	11,898.61	11,528.66	369.95	58,449.43	57,643.30	806.13
BAD DEBT						
Bad Debts	(3,441.93)	(1,306.59)	(2,135.34)	(15,733.74)	(6,532.95)	(9,200.79)
Bad Debts - Admin	(480.00)	0.00	(480.00)	(5,855.00)	0.00	(5,855.00)
Allowance for Bad Debts	0.00	0.00	0.00	0.00	0.00	0.00
Total Bad Debt	(3,921.93)	(1,306.59)	(2,615.34)	(21,588.74)	(6,532.95)	(15,055.79)
Effective Gross Income (EGI)	168,365.68	173,040.70	(4,675.02)	831,761.69	853,008.50	(21,246.81)
Expense						
OPERATING EXPENSES						
UTILITIES						
Electricity	1,701.01	2,576.23	875.22	10,898.73	17,344.45	6,445.72
Electricity-Vacants	304.26	0.00	(304.26)	1,936.43	0.00	(1,936.43)
Water	2,175.96	2,328.83	152.87	11,522.59	13,904.12	2,381.53
Gas	180.16	363.57	183.41	810.22	1,016.52	206.30
Sewer	4,638.19	5,013.01	374.82	23,873.22	30,083.66	6,210.44
Total Utilities	8,999.58	10,281.64	1,282.06	49,041.19	62,348.75	13,307.56

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

Accrual^YE13
For the period ending November 30, 2023

12/6/2023 13:14

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
CONTRACT SERVICES						
Contract-Exterminating	340.00	2,900.20	2,560.20	7,925.00	14,501.00	6,576.00
Contract-Elevator	900.00	950.00	50.00	5,267.69	4,750.00	(517.69)
Contract-Fire Alarm	1,383.61	1,849.54	465.93	3,814.04	9,247.70	5,433.66
Contract-Plumbing	145.00	300.42	155.42	1,272.50	1,502.10	229.60
Contract-Cable TV	6,856.66	8,547.83	1,691.17	31,148.03	42,739.15	11,591.12
Contract-Other	1,608.56	2,151.88	543.32	16,372.66	10,759.40	(5,613.26)
Garbage & Trash Removal	2,179.14	2,734.17	555.03	8,294.29	13,670.85	5,376.56
Contract-Security	12,172.59	10,000.00	(2,172.59)	62,072.30	50,000.00	(12,072.30)
Total Contract Services	25,585.56	29,434.04	3,848.48	136,166.51	147,170.20	11,003.69
REPAIRS & MAINTENANCE						
Janitorial Supplies	211.48	721.00	509.52	4,093.62	3,605.00	(488.62)
Maintenance Supplies	388.35	1,511.44	1,123.09	5,498.65	7,557.20	2,058.55
Decorating Supplies	0.00	333.33	333.33	1,031.58	1,666.65	635.07
Plumbing Supplies	28.99	1,525.50	1,496.51	5,787.76	7,627.50	1,839.74
Electrical Supplies	0.00	493.33	493.33	1,697.25	2,466.65	769.40
HVAC R & M	404.52	412.83	8.31	2,016.23	2,064.15	47.92
Appliances	0.00	833.33	833.33	2,578.54	4,166.65	1,588.11
Carpentry	158.21	143.75	(14.46)	1,841.66	718.75	(1,122.91)
Uniform Expense	50.33	0.00	(50.33)	450.07	1,039.00	588.93
NonRoutine Maintenance	0.00	2,083.33	2,083.33	972.33	10,416.65	9,444.32
Total Repairs & Maintenance	1,241.88	8,057.84	6,815.96	25,967.69	41,328.20	15,360.51
TURNOVER						
Painting & Paint Supplies	0.00	739.58	739.58	2,867.87	3,697.90	830.03
Contract-Janitorial	0.00	125.00	125.00	1,101.00	625.00	(476.00)
Contract-Paint	0.00	108.33	108.33	1,284.00	541.65	(742.35)
Total Turnover	0.00	972.91	972.91	5,252.87	4,864.55	(388.32)
ADMINISTRATIVE						
Conventions & Meetings	77.16	100.00	22.84	159.80	400.00	240.20
Office Equipment-Lease & Maint	0.00	66.67	66.67	413.32	333.35	(79.97)
Office Supplies	19.70	304.83	285.13	1,726.37	1,524.15	(202.22)
Postage	46.22	112.50	66.28	466.89	562.50	95.61
Telephone/Data/Cable/Answering Svc	324.29	425.00	100.71	3,106.65	2,125.00	(981.65)
Legal Exp-Collection/Evictions	884.00	483.33	(400.67)	2,334.29	2,416.65	82.36
Misc Admin Expense	114.38	256.17	141.79	1,257.35	1,280.85	23.50
Meals & Entertainment	0.00	215.92	215.92	198.62	1,079.60	880.98
Computer Expense	995.36	1,168.49	173.13	5,062.05	5,842.45	780.40

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

Accrual^YE13
For the period ending November 30, 2023

12/6/2023 13:14

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Travel Expenses	0.00	393.83	393.83	38.68	1,969.15	1,930.47
Bank Charges	388.83	308.33	(80.50)	2,009.42	1,541.65	(467.77)
Dues & Subscriptions	0.00	19.58	19.58	0.00	97.90	97.90
Professional Fees	0.00	0.00	0.00	220.58	0.00	(220.58)
Mileage	672.15	375.00	(297.15)	2,500.49	1,875.00	(625.49)
Total Administrative	3,522.09	4,229.65	707.56	19,494.51	21,048.25	1,553.74
MARKETING & RESIDENT RETENTION						
Advertising & Marketing	15.00	4.17	(10.83)	15.00	20.85	5.85
Screening Expense	374.00	366.67	(7.33)	1,966.50	1,833.35	(133.15)
Tenant Promotions	120.18	541.67	421.49	1,656.63	2,708.35	1,051.72
Total Marketing & Resident Retention	509.18	912.51	403.33	3,638.13	4,562.55	924.42
PERSONNEL						
Office Payroll	3,008.75	2,552.01	(456.74)	14,161.47	13,299.13	(862.34)
Office Payroll CC	269.45	542.53	273.08	2,414.00	2,712.65	298.65
Manager Payroll	6,583.11	5,213.82	(1,369.29)	30,218.06	27,815.65	(2,402.41)
Payroll Processing Fees	77.96	117.07	39.11	404.46	585.35	180.89
Repairs & Maint Payroll	8,338.36	9,391.69	1,053.33	50,824.84	49,094.97	(1,729.87)
Payroll Tax Expense	1,272.26	1,339.60	67.34	7,424.05	7,039.78	(384.27)
Employee Benefits & Insur	3,935.48	7,373.87	3,438.39	20,243.02	36,869.35	16,626.33
Total Personnel	23,485.37	26,530.59	3,045.22	125,689.90	137,416.88	11,726.98
Total Controllable Operating Expenses	63,343.66	80,419.18	17,075.52	365,250.80	418,739.38	53,488.58
Controllable NOI	105,022.02	92,621.52	12,400.50	466,510.89	434,269.12	32,241.77
AUDIT EXPENSE						
Audit Expense	2,037.50	2,037.50	0.00	10,187.50	10,187.50	0.00
Total Audit Expense	2,037.50	2,037.50	0.00	10,187.50	10,187.50	0.00
MANAGEMENT & BOOKKEEPING						
Management Fees	13,385.79	12,041.71	(1,344.08)	53,307.40	60,208.55	6,901.15
Total Management & Bookkeeping	13,385.79	12,041.71	(1,344.08)	53,307.40	60,208.55	6,901.15
TAXES & INSURANCE						
Real Estate Taxes	3,497.67	3,497.67	0.00	17,488.35	17,488.35	0.00

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

Accrual^YE13
For the period ending November 30, 2023

12/6/2023 13:14

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Property & Liability Insu	6,178.16	7,049.00	870.84	30,890.80	35,245.00	4,354.20
Workers Compensation Insu	309.00	262.83	(46.17)	1,544.67	1,314.15	(230.52)
License & Permits	0.00	55.00	55.00	110.00	285.00	175.00
Taxes-Other	0.00	41.67	41.67	317.00	208.35	(108.65)
Total Taxes & Insurance	9,984.83	10,906.17	921.34	50,350.82	54,540.85	4,190.03
TOTAL NON-CONTROLLABLE OPERATING	25,408.12	24,985.38	(422.74)	113,845.72	124,936.90	11,091.18
TOTAL OPERATING EXPENSES	88,751.78	105,404.56	16,652.78	479,096.52	543,676.28	64,579.76
NET OPERATING INCOME	79,613.90	67,636.14	11,977.76	352,665.17	309,332.22	43,332.95
NON-OPERATING EXPENSES						
Depreciation	9,217.81	0.00	(9,217.81)	46,089.05	0.00	(46,089.05)
Cap Ex-Appliances	3,435.43	500.00	(2,935.43)	10,116.28	2,500.00	(7,616.28)
Cap Ex-Unit Flooring	2,486.55	1,166.67	(1,319.88)	25,717.61	5,833.35	(19,884.26)
Cap Ex-Electrical	0.00	291.67	291.67	0.00	1,458.35	1,458.35
Cap Ex-Plumbing	0.00	166.67	166.67	0.00	833.35	833.35
Cap Ex-HVAC	0.00	666.67	666.67	5,374.92	3,333.35	(2,041.57)
Cap Ex-Upgrades-Building	0.00	0.00	0.00	10,648.20	255,000.00	244,351.80
Mortgage Interest-1st	14,423.15	14,409.90	(13.25)	73,876.05	72,374.76	(1,501.29)
Interest - Other	4.12	0.00	(4.12)	15.75	0.00	(15.75)
Total Non-Operating Expenses	29,567.06	17,201.58	(12,365.48)	171,837.86	341,333.16	169,495.30
NET INCOME	50,046.84	50,434.56	(387.72)	180,827.31	(32,000.94)	212,828.25
CASH FLOW ITEMS						
Deposits-RR	0.00	21,250.00	21,250.00	85,000.00	106,250.00	21,250.00
Releases-RR	0.00	0.00	0.00	0.00	(63,750.00)	(63,750.00)
Principal Pmts-1st Mortga	8,119.63	8,610.80	491.17	41,237.51	42,729.97	1,492.46
JCDA Pmts	9,750.00	9,750.00	0.00	48,750.00	48,750.00	0.00
Depreciation	(9,217.81)	0.00	9,217.81	(46,089.05)	0.00	46,089.05
TOTAL CASH FLOW ITEMS	8,651.82	39,610.80	30,958.98	128,898.46	133,979.97	5,081.51
Net Income after Cap Ex and DS	41,395.02	10,823.76	30,571.26	51,928.85	(165,980.91)	217,909.76

John Sevier Center

Monthly Financial Reports

Balance Sheet
Income Statement

December 31, 2023

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

Accrual YE13

Dec 2023

1/5/2024 8:44

ASSETS

CASH

Current Assets

Cash-Operating	111,289.49
Cash-Petty Cash	100.00
Tenant AR	5,128.65
Allowance Doubtful Accts	(863.58)
AR/AP-HUD	7,243.00
AR-Other	613.28
Security Deposits	40,325.13
Prepaid Expenses	5,597.95
Prepaid Insurance	309.00
Replacement Reserve	<u>143,665.07</u>

TOTAL CURRENT ASSETS 313,407.99

FIXED ASSETS

Land	79,300.00
Buildings	5,086,483.00
Furniture for Project Use	34,952.00
Accumulated Depreciation	<u>(497,592.13)</u>

TOTAL FIXED ASSETS 4,703,142.87

OTHER ASSETS

TOTAL OTHER ASSETS 0.00

TOTAL ASSETS 5,016,550.86

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

Accrual YE13

Dec 2023

1/5/2024 8:44

LIABILITIES & CAPITAL

LIABILITIES

Current Liabilities

AP - Operations	11,764.00
AP - Other	18,192.65
AP-Failure to Report Claims	508.00
AP-Failure to Report Repayments	(400.00)
Accrued Wages Payable	4,233.70
Accrued Mgmt Fee Payable	11,533.38
Accrued Interest-1st Mort	14,865.95
Accrued Property Taxes	41,972.02
Accrued Expenses	5,491.58
Accrued Audit Fees	12,225.00
Security Deposit	32,862.00
Pet Deposit	1,150.00
Prepaid/Unearned Rent	6,791.96
Prepaid HUD	<u>7,889.00</u>

TOTAL CURRENT LIABILITIES 169,079.24

OTHER LIABILITIES

Mortgage Payable - 1st	3,793,382.11
Due to Other Funds - JCDA	<u>556,436.50</u>

TOTAL OTHER LIABILITIES 4,349,818.61

TOTAL LIABILITIES 4,518,897.85

CAPITAL

Owner Equity	278,231.90
Net Profit (Loss)	<u>219,421.11</u>

TOTAL CAPITAL 497,653.01

TOTAL LIABILITIES & CAPITAL 5,016,550.86

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

Accrual^YE13
For the period ending December 31, 2023

1/5/2024 8:57

Account	Actual	Current Period Budget	Variance	Actual	Year-To-Date Budget	Variance
Revenue						
Tenant Rent Revenue	36,500.00	164,340.00	(127,840.00)	216,295.00	973,845.00	(757,550.00)
HUD Assistance	127,840.00	0.00	127,840.00	757,550.00	0.00	757,550.00
Total Gross Potential	164,340.00	164,340.00	0.00	973,845.00	973,845.00	0.00
VACANCY LOSS & CONCESSIONS						
Special Claims Revenue	1,577.00	2,953.25	(1,376.25)	13,794.00	17,719.50	(3,925.50)
Apartment Vacancy	(5,141.00)	(4,474.62)	(666.38)	(31,962.00)	(26,847.72)	(5,114.28)
Total Vacancy Loss & Concessions	(3,564.00)	(1,521.37)	(2,042.63)	(18,168.00)	(9,128.22)	(9,039.78)
OTHER INCOME						
Laundry & Vending Revenue	94.58	108.33	(13.75)	1,643.86	649.98	993.88
Misc Tenant Charges	279.81	600.00	(320.19)	2,165.75	3,600.00	(1,434.25)
Late Fees	(39.11)	333.33	(372.44)	1,019.84	1,999.98	(980.14)
Damages	2,589.14	281.25	2,307.89	5,213.86	1,687.50	3,526.36
Other Income	10,227.31	10,205.75	21.56	61,557.85	61,234.50	323.35
Total Other Income	13,151.73	11,528.66	1,623.07	71,601.16	69,171.96	2,429.20
BAD DEBT						
Bad Debts	(46.38)	(1,306.59)	1,260.21	(15,780.12)	(7,839.54)	(7,940.58)
Bad Debts - Admin	(1,787.00)	0.00	(1,787.00)	(7,642.00)	0.00	(7,642.00)
Allowance for Bad Debts	0.00	0.00	0.00	0.00	0.00	0.00
Total Bad Debt	(1,833.38)	(1,306.59)	(526.79)	(23,422.12)	(7,839.54)	(15,582.58)
Effective Gross Income (EGI)	172,094.35	173,040.70	(946.35)	1,003,856.04	1,026,049.20	(22,193.16)
Expense						
OPERATING EXPENSES						
UTILITIES						
Electricity	2,049.75	2,821.89	772.14	12,948.48	20,166.34	7,217.86
Electricity-Vacants	454.78	0.00	(454.78)	2,391.21	0.00	(2,391.21)
Water	1,392.12	5,151.03	3,758.91	12,914.71	19,055.15	6,140.44
Gas	199.32	312.98	113.66	1,009.54	1,329.50	319.96
Sewer	2,729.36	11,784.23	9,054.87	26,602.58	41,867.89	15,265.31
Total Utilities	6,825.33	20,070.13	13,244.80	55,866.52	82,418.88	26,552.36

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

Accrual^YE13
For the period ending December 31, 2023

1/5/2024 8:57

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
CONTRACT SERVICES						
Contract-Exterminating	340.00	2,900.20	2,560.20	8,265.00	17,401.20	9,136.20
Contract-Elevator	900.00	950.00	50.00	6,167.69	5,700.00	(467.69)
Contract-Fire Alarm	1,950.31	1,849.54	(100.77)	5,764.35	11,097.24	5,332.89
Contract-Plumbing	357.50	300.42	(57.08)	1,630.00	1,802.52	172.52
Contract-Cable TV	6,856.66	8,547.83	1,691.17	38,004.69	51,286.98	13,282.29
Contract-Other	8,332.89	2,151.88	(6,181.01)	24,705.55	12,911.28	(11,794.27)
Garbage & Trash Removal	1,845.39	2,734.17	888.78	10,139.68	16,405.02	6,265.34
Contract-Security	12,197.47	10,000.00	(2,197.47)	74,269.77	60,000.00	(14,269.77)
Total Contract Services	32,780.22	29,434.04	(3,346.18)	168,946.73	176,604.24	7,657.51
REPAIRS & MAINTENANCE						
Janitorial Supplies	446.81	721.00	274.19	4,540.43	4,326.00	(214.43)
Maintenance Supplies	762.90	1,511.44	748.54	6,261.55	9,068.64	2,807.09
Decorating Supplies	0.00	333.33	333.33	1,031.58	1,999.98	968.40
Plumbing Supplies	2,679.02	1,525.50	(1,153.52)	8,466.78	9,153.00	686.22
Electrical Supplies	373.40	493.33	119.93	2,070.65	2,959.98	889.33
HVAC R & M	0.00	412.83	412.83	2,016.23	2,476.98	460.75
Appliances	1,222.02	833.33	(388.69)	3,800.56	4,999.98	1,199.42
Carpentry	395.00	143.75	(251.25)	2,236.66	862.50	(1,374.16)
Uniform Expense	313.02	0.00	(313.02)	763.09	1,039.00	275.91
NonRoutine Maintenance	0.00	2,083.33	2,083.33	972.33	12,499.98	11,527.65
Total Repairs & Maintenance	6,192.17	8,057.84	1,865.67	32,159.86	49,386.04	17,226.18
TURNOVER						
Painting & Paint Supplies	0.00	739.58	739.58	2,867.87	4,437.48	1,569.61
Contract-Janitorial	0.00	125.00	125.00	1,101.00	750.00	(351.00)
Contract-Paint	0.00	108.33	108.33	1,284.00	649.98	(634.02)
Total Turnover	0.00	972.91	972.91	5,252.87	5,837.46	584.59
ADMINISTRATIVE						
Conventions & Meetings	0.00	100.00	100.00	159.80	500.00	340.20
Office Equipment-Lease & Maint	81.69	66.67	(15.02)	495.01	400.02	(94.99)
Office Supplies	157.57	304.83	147.26	1,883.94	1,828.98	(54.96)
Postage	254.08	112.50	(141.58)	720.97	675.00	(45.97)
Telephone/Data/Cable/Answering Svc	501.43	425.00	(76.43)	3,608.08	2,550.00	(1,058.08)
Legal Exp-Collection/Evictions	0.00	483.33	483.33	2,334.29	2,899.98	565.69
Misc Admin Expense	174.74	256.17	81.43	1,432.09	1,537.02	104.93
Meals & Entertainment	0.00	215.92	215.92	198.62	1,295.52	1,096.90
Computer Expense	1,240.09	1,168.49	(71.60)	6,302.14	7,010.94	708.80

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

Accrual^YE13
For the period ending December 31, 2023

1/5/2024 8:57

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Travel Expenses	80.39	393.83	313.44	119.07	2,362.98	2,243.91
Bank Charges	491.79	308.33	(183.46)	2,501.21	1,849.98	(651.23)
Dues & Subscriptions	0.00	19.58	19.58	0.00	117.48	117.48
Professional Fees	22.50	0.00	(22.50)	243.08	0.00	(243.08)
Mileage	16.17	375.00	358.83	2,516.66	2,250.00	(266.66)
Total Administrative	3,020.45	4,229.65	1,209.20	22,514.96	25,277.90	2,762.94
MARKETING & RESIDENT RETENTION						
Advertising & Marketing	48.00	4.17	(43.83)	63.00	25.02	(37.98)
Screening Expense	902.00	366.67	(535.33)	2,868.50	2,200.02	(668.48)
Tenant Promotions	1,838.13	541.67	(1,296.46)	3,494.76	3,250.02	(244.74)
Total Marketing & Resident Retention	2,788.13	912.51	(1,875.62)	6,426.26	5,475.06	(951.20)
PERSONNEL						
Office Payroll	2,534.67	2,971.55	436.88	16,696.14	16,270.68	(425.46)
Office Payroll CC	827.79	542.53	(285.26)	3,241.79	3,255.18	13.39
Manager Payroll	5,298.39	6,712.10	1,413.71	35,516.45	34,527.75	(988.70)
Payroll Processing Fees	180.39	117.07	(63.32)	584.85	702.42	117.57
Repairs & Maint Payroll	13,071.46	11,084.95	(1,986.51)	63,896.30	60,179.92	(3,716.38)
Payroll Tax Expense	1,562.77	1,617.59	54.82	8,986.82	8,657.37	(329.45)
Employee Benefits & Insur	4,263.61	7,373.87	3,110.26	24,506.63	44,243.22	19,736.59
Total Personnel	27,739.08	30,419.66	2,680.58	153,428.98	167,836.54	14,407.56
Total Controllable Operating Expenses	79,345.38	94,096.74	14,751.36	444,596.18	512,836.12	68,239.94
Controllable NOI	92,748.97	78,943.96	13,805.01	559,259.86	513,213.08	46,046.78
AUDIT EXPENSE						
Audit Expense	2,037.50	2,037.50	0.00	12,225.00	12,225.00	0.00
Total Audit Expense	2,037.50	2,037.50	0.00	12,225.00	12,225.00	0.00
MANAGEMENT & BOOKKEEPING						
Management Fees	11,642.43	12,041.71	399.28	64,949.83	72,250.26	7,300.43
Total Management & Bookkeeping	11,642.43	12,041.71	399.28	64,949.83	72,250.26	7,300.43
TAXES & INSURANCE						
Real Estate Taxes	3,497.67	3,497.67	0.00	20,986.02	20,986.02	0.00

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

Accrual^YE13
For the period ending December 31, 2023

1/5/2024 8:57

Account	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Property & Liability Insu	4,737.16	7,049.50	2,312.34	35,627.96	42,294.50	6,666.54
Workers Compensation Insu	309.00	262.83	(46.17)	1,853.67	1,576.98	(276.69)
License & Permits	0.00	0.00	0.00	110.00	285.00	175.00
Taxes-Other	0.00	41.67	41.67	317.00	250.02	(66.98)
Total Taxes & Insurance	8,543.83	10,851.67	2,307.84	58,894.65	65,392.52	6,497.87
TOTAL NON-CONTROLLABLE OPERATING	22,223.76	24,930.88	2,707.12	136,069.48	149,867.78	13,798.30
TOTAL OPERATING EXPENSES	101,569.14	119,027.62	17,458.48	580,665.66	662,703.90	82,038.24
NET OPERATING INCOME	70,525.21	54,013.08	16,512.13	423,190.38	363,345.30	59,845.08
NON-OPERATING EXPENSES						
Depreciation	9,217.81	0.00	(9,217.81)	55,306.86	0.00	(55,306.86)
Cap Ex-Appliances	0.00	500.00	500.00	10,116.28	3,000.00	(7,116.28)
Cap Ex-Unit Flooring	2,108.64	1,166.67	(941.97)	27,826.25	7,000.02	(20,826.23)
Cap Ex-Electrical	0.00	291.67	291.67	0.00	1,750.02	1,750.02
Cap Ex-Plumbing	4,600.00	166.67	(4,433.33)	4,600.00	1,000.02	(3,599.98)
Cap Ex-HVAC	1,136.72	666.67	(470.05)	6,511.64	4,000.02	(2,511.62)
Cap Ex-Upgrades-Building	0.00	0.00	0.00	10,648.20	255,000.00	244,351.80
Mortgage Interest-1st	14,865.95	14,377.12	(488.83)	88,742.00	86,751.88	(1,990.12)
Interest - Other	2.29	0.00	(2.29)	18.04	0.00	(18.04)
Total Non-Operating Expenses	31,931.41	17,168.80	(14,762.61)	203,769.27	358,501.96	154,732.69
NET INCOME	38,593.80	36,844.28	1,749.52	219,421.11	4,843.34	214,577.77
CASH FLOW ITEMS						
Deposits-RR	42,500.00	21,250.00	(21,250.00)	127,500.00	127,500.00	0.00
Releases-RR	0.00	(63,750.00)	(63,750.00)	0.00	(127,500.00)	(127,500.00)
Principal Pmts-1st Mortga	8,630.20	8,643.45	13.25	49,867.71	51,373.42	1,505.71
JCDA Pmts	9,750.00	9,750.00	0.00	58,500.00	58,500.00	0.00
Depreciation	(9,217.81)	0.00	9,217.81	(55,306.86)	0.00	55,306.86
TOTAL CASH FLOW ITEMS	51,662.39	(24,106.55)	(75,768.94)	180,560.85	109,873.42	(70,687.43)
Net Income after Cap Ex and DS	(13,068.59)	60,950.83	(74,019.42)	38,860.26	(105,030.08)	143,890.34

**Downtown Johnson City Foundation, Inc 501 (c)3
and Main Street America Program Updates**

- Chairman Alex Bomba, called a special meeting of the The Connect Downtown Johnson City Foundation, Inc. on November 29, 2023. Alicia Summers also attended as a city representative.
- The Board voted to direct Foundation Executive Director, Patricia Oldham, to propose specific amendments to the by-laws that would remove any mention of the Johnson City Development Authority and its staff. Ms. Oldham emailed the proposed changes to the Foundation Board that same day.
- The City of Johnson City sent a memorandum of understanding to the Foundation Board Chairman that proposed an agreement between the City of Johnson City the Connect Downtown Johnson City Foundation, Inc. The non-profit organization would need to meet to vote on any by-law amendments, as well as any other agreements, as an IRS designated 501 (c) 3.
- Executive Director Oldham met with representatives from the City of Johnson City's Marketing & Communications team on January 9, 2024, regarding information needed for the Annual Main Street Report and the transition of the Main Street Program to the City of Johnson City.
- On January 10, 2024, Ms. Oldham met with the Foundation Treasurer, Tracy Johnson, to review business matters that may need to be addressed, including banking, tax filings, and required registrations.
- Ms. Oldham requested that any board decisions be provided on letterhead to the JCDA, as an official record of any changes to the relationship between the JCDA and the organization.



The following outline will be used as a guide to participants In the annual review for the JCDA Executive Director.

Review Period: 2023 Calendar Year

On a scale of 1-5, evaluate the ED based on the goals and expectations for 2023 evaluation period.

- 1 – Did not meet expectations
- 2 - Performed below expectations
- 3 – Met expectations
- 4 - Performed above expectations in some areas
- 5 – Exceeded expectations

1. **Strategic Initiatives** Self 4 / HR Committee 3-5 / Final 3.5

- Attainment of JCDA 2023 strategic initiatives
 - Focused on priorities not allowing distractions to divert effort to key initiatives
 - Leverage TIF
 - Stabilization of the John Sevier Center Operations to include budget and daily operations and work towards redevelopment plan
 - Gain parking and revenue for DT center
 - Maintain Downtown Johnson City Foundation

Self-Assessment / JCDA ED:

Leverage TIF: We relaunched the **TIF program** to attract private investment. The TIF application was updated and streamlined, including full revisions of both the TIF Program and TIF Façade guides. TIF Advisory Committee began meeting and awarding façade grants, revised to double the maximum funding amount. TIF Advisory and JCDA approved a request for a funding of just under \$700K for the John Sevier Center for capital improvements, a multi-year goal, that is on the January 2024 Washington Co. Commission agenda. JCDA recently received a grant award for \$300,000 from the State of Tennessee Dept. of Econ. & Comm. Devl. that will be used to leverage façade grants in combination with the TIF program in 2024, to multiply building improvements quickly in the coming year. The façade program also now has a pipeline of applicants. The TIF formula calculations have been audited and the long term loan obligations reviewed against the 2029 sunset date. The City of Johnson City also approved a 5% administration allowance from TIF funds this FY, to help offset TIF costs. We have utilized the higher interest rates to gain interest for TIF, as well as for other JCDA accounts. In 2024, we will examine what payoffs may be beneficial to the fund, as well.

Stabilization of the John Sevier Center Operations to include budget and daily operations and work towards redevelopment plan

The John Sevier Center has a substantially more stable budget than last year. The JSC project received two U.S. HUD mark up to market increases. Cash flow has begun to establish a routine, despite some unexpected expenses, and is staying to budget overall. The line of credit necessary in 2022 was paid off by early 2023 and a reserve fund was reestablished with monthly repayment deposits. The mortgage was refinanced through Sept. 2024. We have monitored financials and practices carefully to look for savings (unit turns), resolve losses (such as water utility) prioritize key improvements (elevator, sprinklers, roofs, plumbing, security), and reduce expenses on items that have a shorter timeline for use. A State of Tennessee for property tax exemption application was filed by (con't p. 2)

Agenda Item #8.8.1

the Finance Manager, Daniel McIntosh, and then referred to Washington County's Assessor. ED has gathered all supporting documentation to provide to the Washington County Attorney and Assessor of Property in support of the request. The stronger overall financial position has been the result of the team working together with a very committed Finance Committee and a strong Finance Manager, as well as the team at LHP

Day to day JSC operations projects were delegated to the Finance Manager, who ran the operations committee through October 2023. The ED remained involved in discussions and analysis, and participated in final decisions as part of the team. ED's priorities have been to work alongside the FM, JSC team, and Operations Committee to make responsible judgments and expenditures that will serve the residents best and also prep the building for sale and long term stabilization, in addition to aligning with funding.

The JSC redevelopment plan efforts were implemented through a John Sevier Anchor Block Group that meet every two weeks from June to October to examine opportunities and identify what would to include in an RFP by meeting via Teams with development analysts, the TN Historical Commission. The ED scheduled national firms with experience in such redevelopment efforts. We also evaluated the updated cost of Downtown Centre elevator construction and alternative construction methods. Because of the meetings and discussions, the group gained strong consensus about where it felt the John Sevier Center should be positioned in the future and what type of development analyst fit the project's pursuit of the best developer. In October 2023, the City of Johnson City and JCDA worked together to develop an RFP, which has not been released by the City at this time.

Gain parking and revenue for Downtown Centre

The Downtown Centre was unexpectedly turned over to the JCDA team in 2023, with contractual 90 days notice from Northeast State, ending negotiations that had begun in 2022. The ED and the Finance Manager worked to accept the building from the tenant, research and examine the budget ramifications, and seek input from the JCDA and the City. The day to day operations and correspondence were delegated to the FM, who did an outstanding job managing an everchanging situation, multiple contractors, and many projects to keep the building ready for a new tenant. As ED I worked with the FM to be sure the budget was not severely impacted by the project, defer costs, and save future expenses by timing how and why we took on projects/repairs. The City and ETSU found a shared opportunity to use the building in coordination with JCDA. On December 15, 2023, a new lease term between ETSU and JCDA was finalized, including the opportunity to have public parking in the garage during non-ETSU hours, per the JCDA Board of Commissioners decision. The revenue will help offset the building operation costs, while the parking will be open to continue examining parking opportunities in 2024.

Maintain Downtown Johnson City Foundation

(Please also see question 4) The JCDA consistently managed the 501(c)3 Downtown Johnson City Foundation throughout the year to support downtown merchants and meet the foundation's mission, which also included the organization's administration of the Main Street Program to ensure national accreditation. The Main Street America program will move to the City of Johnson City by January 2024. The financial condition of the Foundation improved substantially in the last year due to changes in organizational expenditure practices and cost reductions. The non-profit's insurance policies, registrations, State of Tennessee Department of Revenue obligations, financial statements, and required reporting all are now in good standing and in order. It was fully audited in 2022 and 2023.

General Notes / Comments by Reviewer:

There has certainly been some success at the 2023 strategic initiatives. The TIF program is stabilized but it has not been leveraged to its potential in 2023. The JSC has been stabilized and is performing well but the redevelopment of the JSC has not moved along as well as I would have liked. The downtown center project is stabilized but also not seen the progress I would have liked. There was a lack of communication with the City on the NE State proposal and the City did not have the confidence in the JCDA team to transition the property into a sustainable parking asset for the downtown residents. The Downtown Foundation was the source of several challenges with FA5 and the Main Street program transition. The ED has done a good job of on managing internal priorities and but struggles to make progress in new initiatives that require outside participation, coordination and support

General Notes / Comments by Reviewer:

Tish has done a great job of balancing these broad strategic initiatives even as circumstances has led some of these to take on heightened importance during the year (i.e. DT has taken an increased important and JCF has dropped back somewhat). Tish has done a particular strong job getting the JSC operationally stable. Operationally the JSC has been a complete 180 degree turn from the previous year, this is in no small part due to Tish's keen operational eye and diligence.

Continued stabilization of JS is strong work and at least "at" expectation if not "above," given the significant challenges with that project. Parking/revenue for DT center goal was somewhat intercepted by City, made that work less accessible to ED. My lower rating in this category due to my perception that TIF work was slow, lagging behind timeline.

I'm glad we are now focused on specific initiatives for the JCDA. Though the Foundation and main street program is now moved to the city - I think that's ok.

2. Leadership, Professionalism, Work Ethic Self 4 / HR Committee 3-5 / Final 4

- Possess the business acumen necessary to lead the JCDA strategic initiatives.
 - Business acumen is **someone's ability to understand business issues**. It is the collection of both general and organization-specific knowledge about how things get done and why. It is a key characteristic for leadership and shows up in the questions someone asks and the decisions they make.)
- Effectively understands, administrates, and leads the TIF program
- Relationship building with LHP regarding the John Sevier
- Delegation to others, attention to detail, and establishing clear and measurable goals.

Self-Assessment / JCDA ED:

Continuing to improve upon the business and financial standing of the organization and the John Sevier Center project, we were able to produce and request an operational budget reflective of the organization's needs and actual administration. The John Sevier Center budget reflected LHPs deeper understanding of the building, its operation, and JCDAs investment in the repairs that were beginning to stabilize the building. The addition of security, plus the request granted by the City for security support, also helped by preventing building damage. We have approached the year conservatively, while also looking to invest funds that would bring long term benefit and prevent larger related problems due to deferred maintenance. Our aim and my message has been regularity, responsibility, and reliability. I have endeavored to move forward using our funding to improve conditions from buildings, to office equipment, to employee benefits while eliminating others or taking a different approach to meet the need. I'm thankful for the Finance Manager's tenacity throughout the reorganization of our finances that allowed me to confidently make decisions and make informed recommendations to the JCDA board. Sydni Leonard also has found ways to execute programs for less, while accomplishing the intended impact. As noted in other areas of this review, I have increased my delegation to others in the past year. The opportunity to rely on two excellent employees to provide follow through and leadership to meet our team goals, from the smallest to the largest items, has had a multiplier impact on our results and efficiency. Our team has been close knit and worked together knowing and growing our roles and returning to communicate as needed. Overall, our business unit is more routine, we think through our approach with long term impact in mind, and ask for input from board members and others with subject expertise; which is leading to better outcomes.

2. continued

Self-Assessment / JCDA ED:

Echoing the information provided in question 1, the TIF program has resumed. The ED thoroughly reviewed past practices, state enabling legislation, the Redevelopment Plans (both versions) and other materials. The finance manager and ED worked together to examine the TIF funds and worked through the audit process to examine the TIF Special Fund status. We are administering the program with a clear process, executing a newly awarded grant that will multiply the impact of TIF façade funding downtown, and seeking TIF support for the John Sevier Center. There is always more to learn with TIF, so I will continue to consult those with knowledge and information to share. We are looking forward to working with the many applicants that we contacted to apply for funds in 2024.

Our team has worked extensively with the team at LHP in Johnson City, Nashville, Chicago, and Knoxville to handle operations, finances, disposition processes, THDA & HUD requests, the federal audit, new development objectives, and administrative matters. We have developed a strong relationship with multiple departments and teams. All have been extremely helpful as we work to support the John Sevier Center residents and the opportunity for new housing. I am grateful for the solid, practical working relationship between LHP and our team. They have spent hours in the background helping us find supporting documentation, prepare audit, or answer a question from the JCDA.

General Notes / Comments by Reviewer:

I think the ED has a exceptional work ethic. She grasps the issues and topics and invest considerable time into understanding and owning the issue and the solution. The TIF program and JSC are both stabilized. The JSC is performing above expectations and that is a significant achievement but the TIF platform has yet to be fully leveraged. This is both a strength and weakness. At some point, they must stop planning and execute.

Tish is a good leader who has exhibited strong business acumen in ensuring that TIF funds are well used to invest in our community and that relations with LHP are moving toward better collaborative management of the JSC. Tish has recruited a strong staff in Sydney and Daniel.

Business acumen is strong, and contributes to success with JS operations, relationship with LHP, and overall progress on the JSC project/downtown center to some extent. TIF program lags, perhaps needs more balance between detail-oriented implementation consideration and pragmatic action.

The ED always acts in a professional manner, and I appreciate it. The ED could work on more clear and measurable goals and communicating in a more succinct way. Sometimes less words are more effective.

Agenda Item #8.8.1.

3. Financial Performance / Accountability Self 5 / HR Committee 5 / Final 5

- Full understanding and accountability for monthly / annual budget targets
- Full understanding and accountability for annual budget preparation
- Accurate & timely financials prepared monthly for all the JCDA and strategic partners
- Accountable for correction of previous audit findings
- Understand and refine the processes regarding the general finances of the JCDA

Self-Assessment / JCDA ED:

As ED, I do fully understand and remain accountable for our monthly and annual budget targets, as well as the production and implementation of the annual budget for JCDA, JCDA TIF, John Sevier, the Foundation 501 (c)3, and new mid-year, the Downtown Center. Our financials are accurate, financial statements are on time, and we have reestablished a strong Finance Committee. At the time of my last review, Daniel McIntosh had just joined the team. We have benefited greatly from his follow through, willingness to be flexible, and dig into our financials. We were able to implement a number of my financial goals, such as moving all Quickbooks online, meeting all our deadlines on financials each month, correcting our previous audit findings, confirming TIF calculations and administrative practices, and cleaning up our financial files and daily routine. Many simple routines that were established in June 2022 continued to serve us well as we refined new ones in 2023. The ED and FM had a goal to eliminate all multi-year audit findings, which except for the financial strain at the John Sevier Center, we accomplished. It also reduced our audit costs. The financial condition of the non-profit Downtown Foundation has improved its bottom line by closely managing expenditures, despite a reduction in revenue.

Often times I have been particular about our financial record keeping, but I found that the FM and I worked well together to determine even better practices and solutions throughout the year, which served us well. I am very thankful for Daniel McIntosh's willingness to jump into a difficult accounting environment, which he has smoothed and maintained daily to keep moving JCDA to a transparent financial condition. We are better informed to make decisions confidently and we work together to talk through options that could improve our outcome and meet our project results. The emerging strength of the finance committee input and discussions has been a tremendous resource for our team and the JCDA. Finances have steadied greatly from 2022, even amid many unexpected expenditures for the JCDA operating budget. We are striving to implement the best priorities with the resources we have. I am ever thankful for the Financial Manager's efforts and the Finance Committee's experienced leadership.

General Notes / Comments by Reviewer:

I must give the ED high marks for building a sustainable financial model for the JCDA. Under her leadership, the JCDA, TIF, JSC and JCF all have a strong financial foundation as proven by the recent audit. Prior to the ED's tenure with the JCDA, the annual audit showed significant problems. I have tremendous confidence in the information I get and feel like there is a solid plan to keep each organization grounded.

JCDA budgets and financials have become a "source of truth" in which board members and community stakeholders can take confidence. Moreover, the audits have significantly improved over the last year.

I have been impressed by the EDs work in this area especially the extent to which she leveraged strong talent (Daniel) and her skilled board members on finance committee. Great leadership in this area.

The financials for the JCDA are strong – and a testament to the hard work of the ED and the staff.

- JCDA's responsibility for the operational performance and accomplishments of Connect JC to include Main St Program
- Effectively sees the wrap up of the responsibility of the Main street program for delivery to the City of Johnson City.
- Anticipates needs in planned events and fills those needs

Self-Assessment / JCDA ED:

(Please also see number 2) All staff, including Sydni Leonard, Daniel McIntosh and the ED worked to provide financial management, program and event planning, management and execution, digital asset and social media growth and support, marketing and graphic design, but most of all direct impact to the merchants. We staffed events, helped set up and close down, and worked with other event partners when they were involved. Sydni Leonard provided outstanding project management and execution, on top of her other responsibilities and projects. All events, except for the Christmas Tree program and a shorter Fridays After 5 season, were executed, in addition to a few new events for merchants. Additionally, the team held a State of Tennessee consultant strategic planning sessions (with stakeholders) to meet Main Street America requirements; administered, met with the state for grant monitoring, and closed out the TN ECD Placemaking Grant; and also helped host a State of Tennessee ECD training event in Northeast Tennessee. ED ensured that all Main Street America reporting requirements and training expectations were met to anticipate the 2024 hand off to the City of Johnson City. We are continuing to be a liaison to the City of Johnson City's new director for Main Street to transfer the program smoothly in January, working through practical administrative details.

General Notes / Comments by Reviewer:

While I am not disappointed that the Main St Program has been transitioned to the City, I feel like the ED could have done a better job of communicating and transitioning the platform. I fully understand that this transition was not handled well by either party, we should have anticipated and been ahead of the problem despite of any one person or groups lack of engagement. We had a year to prepare, and the transition did not go as planned. With that said, the ED did maintain the Main St Program and handed the program to the City in good standing.

While COVID and staffing changes have had significant impacts on the resourcing of the Main Street program and foundation, Tish has done a good job keeping these in good working order as the city prepares to take these projects back into city hall.

Great work, leadership, and presence in this area. Appreciate her ability to stay flexible/pivot where needed.

As the JCDA wrapped up the organization of the Main Street program, I'm pleased that you finished well.4 I know it was a hard thing to let go of, but it was out of your control.

- JCDA meetings and board packages were delivered complete and timely with relevant information
- JCDA Board meetings were organized and administrated professionally
- Good leadership skills in managing staff
- Timely response to board member, media, and other outside stakeholder questions, concerns and requests for interviews.

5. Self-Assessment / JCDA ED: (con't on next page)

I'm pleased to say that our team consistently delivers board agenda packages and meeting materials on time and publishes it on the City of Johnson City's system and the JCDA website for the public. We all should expect that standard routine and now JCDA can deliver, after many changes. Financial statements are on time from LHP, the Ellis Group, and JCDA's Finance Committee meets on schedule for recommendations. All other staff reports, committee reports, and minutes are produced on a schedule. Sydni Leonard has elevated packet organization and prep, including producing minutes within 24 hours of a meeting and staying ahead. We issue the packet one week in advance of the meeting and have PowerPoints ready days in advance, since everyone contributes well prepared content. As ED, I have been able to fully trust the responsibility for many committee matters to the

5. Self-Assessment / JCDA ED: (con't from above)

Finance Manager and to the Administrative Coordinator, who have produced excellent results. The strength of their written work and task management has allowed me to work on other matters and save time. In the past year, due to Daniel and Sydni's ability to coordinate and communicate among the team and with me, combined with their critical decision making, has given me confidence in delegating projects and other decisions to them. We all discuss the primary direction, parameters, and intent, but other times they come to me with suggested direction also. I learn from them regularly and am confident in their input to me, as well as our ability to have open discussions about alternative approaches. I am highly aware of and proud of their contributions to our team and community.

Regarding communications with board members, media, and others, our team and I have aimed to be very responsive, present, approachable, and reliable. The JCDA Commissioners are contributing a large amount of time and expertise to this organization. I am very open to their feedback and strive to reflect that in our work and our efforts. No matter the meeting or the board, we work to listen to understand, be respectful, and follow up with what is requested. If it the first try requires a different approach, we try again to communicate differently, considering the feedback. Our stakeholders also include the residents of the John Sevier Center. In the past year, I have had many more experiences and conversations at length with the residents. It has shaped my perspective considerably as we have conversations on the street, in the lobby, or at an event.

Our ability to respond to any of our stakeholders depends on finding good information in our files and our information systems. The effort began in Spring 2022, but this year we have worked diligently to streamline our digital files, provide SharePoint sites for our boards and committees or project teams, and to get our paper files in order. Our finances all are now in online Quickbooks, rather than one laptop. Multiple files, many duplicate, from many computers and auxiliary drives have been consolidated into Microsoft OneDrive shared files. The entire team has worked on the effort, however, Sydni has taken on overall project ownership for digital file organization and administration. She continues to coordinate regular improvements, with the team as partners, saving us hours of time. We have raised our overall administrative standard and performance and work to maintain it daily.

General Notes / Comments by Reviewer:

The ED and the staff have done a spectacular job of preparing JCDA board packages and running the meeting. The communication has been timely and well prepared. I do feel like the amount of information that is provided can be a bit excessive and suggest that reports be in summary form verses narrative going forward. However, because this topic covers staff management, I believe that some staff issues could have been avoided if the ED had taken advantage of the recommended leadership training offered in early 2023. I recommend leadership development training in 2024.

Board packets are delivered complete and typically at least a weekend in advance of upcoming meetings. Very much appreciated by board members.

In all of these – a very strong performance. I would say she demonstrates improvement in this area over the prior year. She is better able to “lead from the bench” (i.e., less active/at the microphone leadership)

Our board packets are always organized and professional. As I look back to the changes in staff, I do see an opportunity for growth

6. Professional Networking / Relationships Self_4_ / HR Committee_2-3_ / Final_2.5_

- Maintains and builds strong strategic relationships with key partners (City, County, JCDA Boards and Committees)
- Builds strong relationships with internal staff, and city and county staff.
- Builds strong relationships with area businesses in the downtown core.

Self-Assessment / JCDA ED:

In order to accomplish our redevelopment goals, I understand how critical it is that I remain in regular communication with key partners such as the City, the County, the JCDA membership, and committees. During the year I have attended city commission meetings, county commission meetings, community policing meetings, city downtown update meetings, long range planning input meetings with consultants for the city, and conducted meetings where I have included a many of these stakeholders as possible to enrich and encourage our conversations about community initiatives. Other meetings have been one on one, or we have met to discuss single issue matters. Each meeting has been valuable and has helped me understand another group or individual’s perspective and how I should or could reframe my perspective to accomplish the larger goal at hand. However, I believe that I need to increase my efforts in these areas to the benefit of our critical projects and opportunities to expand how we all work together.

I have enjoyed meeting many more of the downtown business owners in the past year, as well as property owners. I’ve learned about what they want, what works best for them, why they enjoy being in business downtown, and also what they need to see happen downtown overall and with their buildings. Sydni Leonard has done an outstanding job getting to know the businesses and working with them as we planned and executed events downtown. It is my pleasure to visit with the business owners, hear what they aspire to accomplish, and see how they have strengthened their own business network and relationships as downtown Johnson City has steadily filled vacant spaces and created new destinations. The continued conversations with property owners is key to successful renovations and investment.

General Notes / Comments by Reviewer:

The ED has done a good job of building relationships with the downtown merchants and the various JCDA boards across the city, but she has struggled to build a rapport with the City staff which is critical to the JCDA success. Building a strong and trusting relationship with the funding partner for the organization is critical to the future of the JCDA and the ED's career with the organization. Building a strong working relationship with City staff is one of the key expectations of the job. Regardless of the cause, it has not happened to my expectation.

Tish works well with internal boards and key partners. Communication between city and JCDA however sometimes can seem to be lacking. While this doesn't seem to necessarily on Tish's end, she certainly should seek to tighten this communication gap and ensure that JCDA boards are well apprised. This would be a great focus area for 2024.

The ED is working at this and I see a greater receptivity to feedback, input, and ideas from others. A greater interest in a team approach. Relationship with county and city staff/elected officials remain challenging.

I think this is that area that needs to most work. I am struggling to figure out if the strains w communicating with city employees are due to the ED or the City or a combination of both.

7. Communication Self_4.5__ / HR Committee 3-4__ / Final_3.75__

- Conducted the business of the JCDA in a transparent manner with full accountability for all information and recommendation.
- Effectively communicated with the Board and various boards and sub-committees on a regular basis with timely, accurate, and relevant information.
- Paid attention to detail in written and verbal communication platforms.

Self-Assessment / JCDA ED:

My goal has been to have our team communicate more efficiently, professionally, consistently with the public and internal groups. Internally, we have been able to work together to continue to improve meeting our communication goals and standards, which had a measuring stick of transparency, ease of availability, inclusiveness, opportunities for input from the public, and consistent delivery of factual, helpful, valid information for stakeholders internally and externally. Attention to detail is a daily practice, particularly when we are developing the packets and reports for boards and commissions. We worked to be very regular in our communications regarding board meeting notifications, calendars, emails, and reminders, as well. New internal MS SharePoint sites for the JCDA, committees, and special projects with LHP and other external contacts have been developed; all in an effort to ease, speed, and consolidate access to information; update it regularly; and provide file sharing for special projects, both short and long term. The webpages for the JCDA and the Foundation were updated, streamlined, and became a resource for the community to find information, download revised or new brochures, guides, and applications. Applications were developed to help the applicant move through the process, by adding the best links, contacts, and sources to find the materials they needed. The social media for the Foundation was updated daily and was highly responsive to a wider demographic, thanks to Sydni Leonard's diligence. The newsletter for downtown was revised and sent quarterly, driving traffic to specific business segments, featuring links to businesses in the newsletters. Press releases to regional media were sent when relevant and needed. The ED remained responded regularly to assist journalists from WJHL/WCYB and the Johnson City Press. Additionally, the ED presented before three civic groups, created targeted presentations and reports for various commissions and committees, the John Sevier Anchor block group, and met one on one with individuals regularly to discuss projects, progress, funding, and programming to aid transparency and gain input and other perspectives.

General Notes / Comments by Reviewer:

The ED has done a spectacular job of building clear and complete board packages. The information has come out in a timely manner. I do find the ED's communication style to be rigid and she often over communicates. In the future, she needs to be more succinct by keeping the information focused on the topic at hand and avoid long rambling sentences and paragraphs that provide color and context. To coin a term "be brief, be brilliant, be gone". I want to know what I am being asked to act on and I want a written recommendation from the staff that I can say yes or no to.

Tish does a good job of maintaining transparency and keeping the board involved. It appears there has been some confusion, or lack of understanding, between the city and JCDA this past year, I don't see evidence that Tish is the source of confusion, but perhaps emailing summary notes after meetings between JCDA staff and city leaders to all parties might help quell some of this potential confusion going forward.

Communication is transparent, timely, and detailed – perhaps too detailed. The ED will be most effective in her role if she can translate complicated material into lay language and/or accessible key points.

I do think the ED does a good job communicating with the board in a transparent manner. One area the ED could work on is learning to say more with less words. Consider boiling down paragraphs to succinct bullet points of information.

Agenda Item #8.8.1.

Scoring Total	Self	HR Committee	Final
Strategic Initiatives:	<u>4</u>	<u>3-5</u>	<u>3.5</u>
Leadership, Professionalism, Work Ethic:	<u>4</u>	<u>3-5</u>	<u>4</u>
Financial Performance / Accountability:	<u>5</u>	<u>5</u>	<u>5</u>
Marketing and Event Planning:	<u>3.5</u>	<u>3-5</u>	<u>4</u>
Organization & Administration:	<u>4.5</u>	<u>3-5</u>	<u>4</u>
Professional Networking / Relationships:	<u>4</u>	<u>2-3</u>	<u>2.5</u>
Communication :	<u>4.5</u>	<u>3-4</u>	<u>3.75</u>
<hr/>			
Total Score:	<u>29.5</u>	NA	26.75
Total Possible Score:	35	35	35
Percentile :	<u>84.3%</u>	<u>NA%</u>	76.43%

2024 Career Development Plan

1. What is expected of me at my current position?

- Support and lead our team members to meet our goals by providing the encouragement, resources, clear guidance, opportunity for discussion/strategic planning; career growth, leadership and training; and my focused time to work alongside them with projects, when needed and warranted.
- Administer the JCDA so that it is financially and administratively smooth and effective so that we all can make decisions and take action without delay or distraction due administrative issues.
- Accomplish our current goals, as well as set goals and agendas based on board and commission targets and new situations. I also am to recommend opportunities for the JCDA and partners to accomplish what it was developed to do with and for the community.
- Build strong networking relationships that facilitate and connect JCDA's work for the community and with the community and various partners that have particular strengths, funding and skills.
- Represent the organization and our community in respectful and reliable way so that they can be confident in our words and actions and that they know we are working to try to reach goals that benefit them and include their perspective.

Agenda Item #8.8.1.

- Meet the goals set for the year, so to remain on course for the larger goals at hand such as the John Sevier financial stability, physical stability, and redevelopment. Reassess and reset goals in response to conditions.
- Provide access and opportunities for growth and redevelopment that benefit Johnson City and Washington County, including the use of tax increment financing. We have underperforming areas that could benefit from further initiatives.
- Work with and through our JCDA Commissioners to provide solid information to make decisions and implement goals that benefit the overall growth and redevelopment of Johnson City.

2. How can I leverage my strengths to accomplish the organizations agenda and goals?

- A. Connect with our community, its leaders, its people and its institutions to see how and where we all can contribute together.
- B. Seek and support identifying, with others, vision and opportunities, then seeking out those who can help make it happen.
- C. Communicate decision making resources by identifying and condensing key analysis and information for the JCDA leadership and other key partners.
- D. Seek, identify, and help obtain funding partnerships and opportunities
- E. Understand how to most effectively use and prioritize the financial resources we have now, even if limited at times, while also seeking financial resources for larger priority goals when there is a pressing need.
- F. Identify land use patterns and conditions, as well as development trends, that will allow for future redevelopment opportunities.
- G. Continue to maintain our course steadfastly to complete projects, pursue goals, follow through in collaboration with others who can assist with the end goals.

3. What areas do I need to improve and how will I implement these actions?

Areas for improvement

My top need is to plan to allocate time to build more relationships and work with other groups and stakeholders to accomplish our goals. The nature of our projects, deadlines, financial and administrative matters to be rectified required me to be very focused and directed in the office. My nature is to connect with individuals and groups to develop opportunities to accomplish our goals. I would like to refocus on that aspect of the job to aid collaboration. Implementation will require that I set aside and make specific times and appointments to intentionally increase my time with colleagues, potential partner groups, board members, and community leaders so that I can benefit from their perspective, as well as learn how we could work together.

Next, I would like to improve on setting aside time to plan my work for the week and the month. This is in addition to the time that Sydney Leonard and I spend planning the month ahead. Implementation would be through a standing minimum one hour appointment weekly set aside for no interruption to write and revise my action items and commit time to working through a particular project plan.

I would like to improve my real property business knowledge. After many years of working on the planning and economic development project perspective, I believe it would be beneficial to take coursework in that area.

Agenda Item #8.8.1.

I also would prefer to continue to follow up on the Certified Municipal Finance Officer classes, as possible, to clarify my understanding of the particulars of municipal financial management. The classes are through the University of Tennessee Institute for Public Service at no additional cost.

4. How do you envision your role at the JCDA in the next 3-5 years?

The John Sevier Center redevelopment is the most obvious project that will define my role at the JCDA. For the next two years, my role will be to maintain the stability of the project and welfare of the residents, in addition to working in partnership with many in the community to place this block at the forefront of redevelopment investment for downtown Johnson City. Management and implementation of the Downtown Centre parking garage, in coordination with ETSU and the City of Johnson City will be a related role. The other role will be to fully utilize and implement the TIF program to engage property owners and investors to utilize the program's public funds to match with larger private investments to provide building and property redevelopment to increase property values and increase space for business growth. I will continue to administer and execute our organization's day to day matters, along with our team, while also seeking the opportunity to think longer term as an organization and with other leadership groups. A next step is for me to request that we move forward with a JCDA Board of Commissioners strategic planning session in early 2024 so that we together can further define our opportunities to serve as a catalyst and a resource among partners for our citizens and private businesses. I noted previously, last year and above, that I have been a connector of people and opportunities to collaborate. I see that role continuing, but with the benefit of the toolbox that JCDA provides in its ability to redevelop property and be a catalyst for investment. The role that I appreciate most, is as a guiding collaborator with JCDA employees who have continued to be committed to creative solutions, best practices, and working with our committees.