

**WASHINGTON COUNTY, TENNESSEE
BOARD OF COUNTY COMMISSIONERS**

RESOLUTION NO. 24-02-04

***RESOLUTION APPROVING TAX INCREMENT FINANCING (TIF) TO
FUND THE JOHNSON CITY DEVELOPMENT AUTHORITY'S TWO
PROJECTS AT JOHN SEVIER CENTER AND DOWNTOWN CENTER***

WHEREAS, the Board of County Commissioners (the "Board") previously approved by Resolution No. 21-02-02 Adopting Amendments to the Redevelopment and Urban Renewal Plan for the Downtown and Other Identified Redevelopment Districts of Johnson City ("The TIF Plan") as implemented in 08-03-07, a redevelopment plan for the Downtown Redevelopment District of Johnson City, Tennessee, prepared by the Johnson City Development Authority (JCDA) and dated March 24, 2008; and

WHEREAS, the TIF Plan Amendments adopted in Resolution No. 21-02-02 incorporate the requirements stipulated by Resolution No. 10-08-08 that the JCDA would not enter into any agreement and/or contract redevelopment plan in excess of \$25,000 for any project concerning an individual parcel of land, or any combination of parcels owned by a single entity without first presenting the redevelopment plan or expenditure proposal to the Board for its consideration and specific approval; and

WHEREAS, the JCDA has presented a proposal for two TIF projects: (1) Johnson Sevier Center; and (2) Downtown Centre; and

WHEREAS, at the CIA Committee meeting on January 4, 2024, Patricia Oldham, Executive Director of JCDA, presented a proposal for improvements to the John Sevier Center and Downtown Center by the JCDA. At that time the proposal sought consideration and approval for an estimated amount of \$681,382.00, and

WHEREAS, at its January 4, 2024 meeting the CIA Committee recommended consideration and approval of this request subject to review by the County Attorney to ensure compliance with Tennessee's Uniformity in Tax Increment Financing Act of 2012 and related governing authority; and

WHEREAS, at the CIA Committee meeting on February 1, 2024, Director Oldham provided an update on costs and the request to approve TIF funds for the two projects for a sum total of \$751,382.00, as follows:

- John Sevier Center project totaling \$715,383.00 for capital improvements (\$315,383.00) and roof replacements (\$400,000.00) and
- Downtown Centre project for security camera system (\$35,999.00); and

WHEREAS, at its February 1, 2024 meeting the CIA Committee took now action since it had previously approved the TIF projects pending legal review by the County Attorney; and

WHEREAS, the JCDA has provided evidence of bonds, loans, or other indebtedness as required by Tennessee law; now therefore

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY, TENNESSEE THAT:

SECTION 1. The Board of County Commissioners hereby approves the Johnson City Development Authority's attached proposal (Exhibit A) to commit TIF funds for a sum total of \$751,382.00, as follows:

- John Sevier Center project totaling \$715,383.00 for capital improvements (\$315,383.00) and roof replacements (\$400,000.00) and
- Downtown Centre project for security camera system (\$35,999.00);

SECTION 2. This Resolution shall take effect from and after the date on which it is approved by the County Mayor or as indicated by certification of the County Clerk, as hereinafter set forth.

Introduced by Commissioner: *England*
Seconded by Commissioner: *Wexler*
Commissioners Voting FOR: *Tucker, Johnson, Matherly, England, Malone, Tomita, Jones, Wexler, Huffine, Wheeler, Carder*
Commissioners Voting AGAINST: *Davenport*
Commissioners Abstaining: *None*
Commissioners Absent: *Fitzgerald, Edens, Williams*

ADOPTED BY THE COUNTY LEGISLATIVE BODY, in session duly assembled, on this the 26th day of February, 2024.

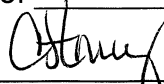


CHERYL STOREY, County Clerk




GREG MATHERLY, Chair of the Board

REFERRED to County Mayor this the ____ day of *March* 2024.



CHERYL STOREY, County Clerk

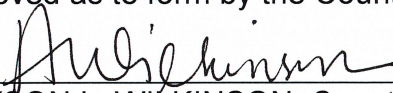
APPROVED by County Mayor on this the 1 day of March 2024.


WILLIAM J. GRANDY, County Mayor

The County Mayor having declined to approve this Resolution, the same became effective on the ___ day of _____ 2024, pursuant to Tennessee Code Annotated § 5-6-107(b)(5).

CHERYL STOREY, County Clerk

Approved as to form by the County Attorney this 29th day of February 2024.


ALLYSON L. WILKINSON, County Attorney

February 1, 2024



Request to Approve TIF Funds: John Sevier Center and Downtown Centre Investments

The Johnson City Development Authority requests approval for two projects from the JCDA Tax Increment Financing Special Fund for a Total Amount of: **\$751,382**

John Sevier Center TIF Request

Capital Improvements **\$315,383**

Roof Replacements **\$400,000**

JSC Total \$715,383

Downtown Centre TIF Request

Security Camera System **\$35,999**

DTC Total \$35,999

Capital Improvement Results

- Substantially improved the safety & condition of 150 multi-family units, that twice had failed inspections, for seniors & those with disabilities in Washington County;
- Increased federal funding for the property & operations budget, twice;
- Passed required U.S. HUD inspections and improved building life safety;
- Obtained approval for moving federal housing funding to a new multi-family development;
- Continued to prepare & protect the building for residents, investment, & redevelopment.

Phase I Stabilization

JCDA acquired John Sevier Center

Capital investments made to stabilize the building & the financials

Living conditions & safety improved for seniors & those with disabilities in 150 units

Phase 2 Approvals

JCDA continues to stabilize finances & budget to improve property condition soundness.

U.S. HUD approves moving federal housing funding from John Sevier Center to new development, upon completion.

Developers secure financing & acquire land.

Phase 3 Construction and Unit Transfer

Construction begins in February 2024

JCDA continues operation of John Sevier Center through 2025

Assess & market John Sevier Center property and surrounding area for redevelopment.

Tax Increment Finance Funding Utilization

- Funds are not from the regular count budget or assets. The project is not a new funding request.
- These improvements would not occur except for using TIF funding to support and spur investment.
- Tennessee law permitted these funds, also with city and county approval, to be allocated for the Redevelopment Plan (2011) area in downtown Johnson City to advance property redevelopment.
- The increases in property value will benefit the county property tax base long term and solve a highly challenging property redevelopment that impacts the property values and environment downtown.