

RESOLUTION NO. 32566

A RESOLUTION TO ACCEPT THE CURRENT YEAR FINANCIAL REPORT FROM THE DOWNTOWN CHATTANOOGA ALLIANCE (DCA) FOR ACTIVITY RELATED TO THE CHATTANOOGA BUSINESS IMPROVEMENT DISTRICT (CBID) AND APPROVE THE PROPOSED BUDGET FOR FY2026 ACTIVITIES, INCLUDING AUTHORIZING THE TREASURER TO COLLECT SPECIAL ASSESSMENT FEES FOR TAX YEAR 2025.

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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby accepting the current year financial report from the Downtown Chattanooga Alliance (DCA) for activity related to the Chattanooga Business Improvement District (CBID) and approve the proposed budget for FY2026 activities, including authorizing the Treasurer to collect special assessment fees for Tax Year 2025.

ADOPTED: July 8, 2025

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June 24, 2025

TO: Chattanooga City Council

From: Gordon Stalans, Treasurer  
Steve Brookes, Executive Director

RE: Fiscal 2026 Budget, Fiscal 2025 Forecast Results

Attached is the Downtown Chattanooga Alliance's ("DCA") Fiscal 2026 budget and current forecast for Fiscal 2025.

We are forecasting to end the 2025 fiscal year with a deficit of \$100K vs. our originally budgeted deficit of \$100K. We can fund this deficit because of the excess cash brought forward from prior years.

The FY2026 budget includes the following:

- Total assessments that will be billed minus an allowance of \$25,000 for bad debt and assessment waivers.
- \$739,720 to be paid to Block by Block for its maintenance, safety, and hospitality services (4% raise for ambassadors).
- \$42,000 for beautification projects within the district.
- \$22,500 for public relation services.
- A 2% assessment collection fee to be paid to the City of Chattanooga.
- Approximately \$21,900 in continued rent of the DCA office space at 407 Broad St.
- A balanced budget for FY2026.
- An amount not to exceed 150K for ambassadors services in Miller Park.

If there are any questions about the budget, please feel free to email or call Steve or me.

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# Downtown Chattanooga Alliance

## FYE 2026 Budget vs FYE 2025 Budget

	<b>2026 BUDGET</b>	<b>2025 BUDGET</b>
<b>Revenue</b>		
Assessment Fees	\$ 892,000	\$ 887,000
Miller Park Services	\$ 135,000	
Contributed Support	20,000	-
Event Services	5,000	5,000
Sponsorships	-	25,000
Interest Income	15,000	15,000
Miscellaneous Revenue	-	1,000
<b>Total Revenue</b>	<b>1,067,000</b>	<b>933,000</b>
<b>Expenditures</b>		
Salaries and Benefits	156,000	150,000
<b>Other Expenses:</b>		
Management Services	739,720	705,000
Operating Supplies	7,000	7,000
Equipment Rental	1,000	5,000
Special Service Expenses	1,500	1,500
Homeless Services	20,000	3,000
Repair & Maintenance	1,500	1,500
Beautification Projects	42,000	50,000
Vehicle Insurance	600	600
Meeting Notices	1,000	1,000
Marketing/Communication Services	22,500	27,000
Printing and Photography	1,500	1,500
Event Sponsorships	750	3,000
Assessment Collection Fees	17,840	17,740
Legal Fees	2,500	5,000
Accounting Software Fees	4,530	1,850
Audit	16,000	16,000
Office Supplies	2,500	2,500
Office Rent	21,890	21,486
Telephone/Internet Expense	2,900	2,900
Property & Liability Insurance	1,900	1,900
Licenses & Fees	20	20
Dues & Subscriptions	1,000	1,000
Business Meals	500	6,000
Bank Charges & Fees	100	100
Miscellaneous Expenses	250	250
<b>Total Expenditures</b>	<b>1,067,000</b>	<b>1,032,846</b>
<b>Net Operating Revenue</b>	<b>\$ 0</b>	<b>\$ (99,846)</b>