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■ DOWNTOWN
■ MEMPHIS
■ COMMISSION

2015

STATE OF

DOWNTOWN MEMPHIS

LETTER FROM THE PRESIDENT

As a native Memphian and someone who truly loves Memphis and Downtown in particular, it is a great honor to have been selected to serve as the new president of the Downtown Memphis Commission (DMC). For several years I have served on the board of the Center City Development Corporation, an affiliate board of the DMC, and have seen up close what this impressive organization has achieved. The opportunity to lead the organization tasked with making Memphis better by improving Downtown is immensely exciting, and quite frankly, humbling when considering the leadership that has come before me and all that has been accomplished.



Over the past five years, we were able to weather through and emerge from a national economic crisis. Even during this trying time when property values plummeted across the country, the collective property value of Downtown rose dramatically. New tourism attractions like Bass Pro Outdoor World, Blues Hall of Fame, Halloran Centre, and the Memphis Music Hall of Fame opened. Long time neglected landmark buildings that were seemingly impossible to activate - like the James Lee House, the Chisca, Tennessee Brewery, and Crosstown Concourse - are now catalytic development projects serving as beacons for new development. Downtown neighborhoods like South Main, South End, and The Edge, where growth and energy had stalled for years, received focused attention leading to accelerated momentum for residential and commercial growth.

Looking ahead ...

There's still much work to be done to make Downtown the economic engine we need to ignite Memphis. After all, Downtown is one of Memphis' most valuable assets. The appraised property value per acre in Downtown is notably higher than Memphis and Shelby County because of the high density of people. Downtown's density makes it one of the city's best tools for tax revenue generation, and with continued strategic focus, we must make Downtown an even healthier economic development instrument for Memphis. To do this we must ...

ENHANCE Downtown's strength as a world-class tourism destination with better connectivity between neighborhoods, improved landscaping, cleaner streets and green spaces, visible police and security presence, reduced panhandling, and more public art. As the front door for Memphis, Downtown must maintain a higher standard regarding public realm and quality-of-life issues, both of which form visitors' impressions of our city.

BUILD strong, community-centric neighborhoods that attract and retain students, residents and families by identifying the specific needs of each area and developing growth strategies that match market demand.

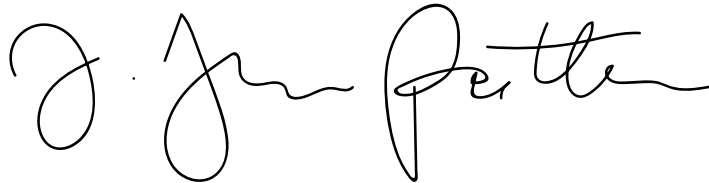
CHANGE the conversation about the Downtown office market by celebrating the stories of entrepreneurship, technology and creativity that are the new norm for industry in Downtown. The Downtown Core especially must be re-imagined as a business campus and recruitment tool of invention, innovation, and collaboration.

FIGHT blight and take a more aggressive stance against neglectful property owners who are bringing our standards and value down. By allowing speculators to buy and hold properties without improving them so that they can receive lower tax basis, we, as a city, are essentially saying that we don't care about the standards of our community, and that is not acceptable.

SUPPORT a more inclusive approach to developing our community *by* our community with a more strategic and aggressive minority outreach program to ensure that Downtown revitalization and business growth is reflective of who we are as a community.

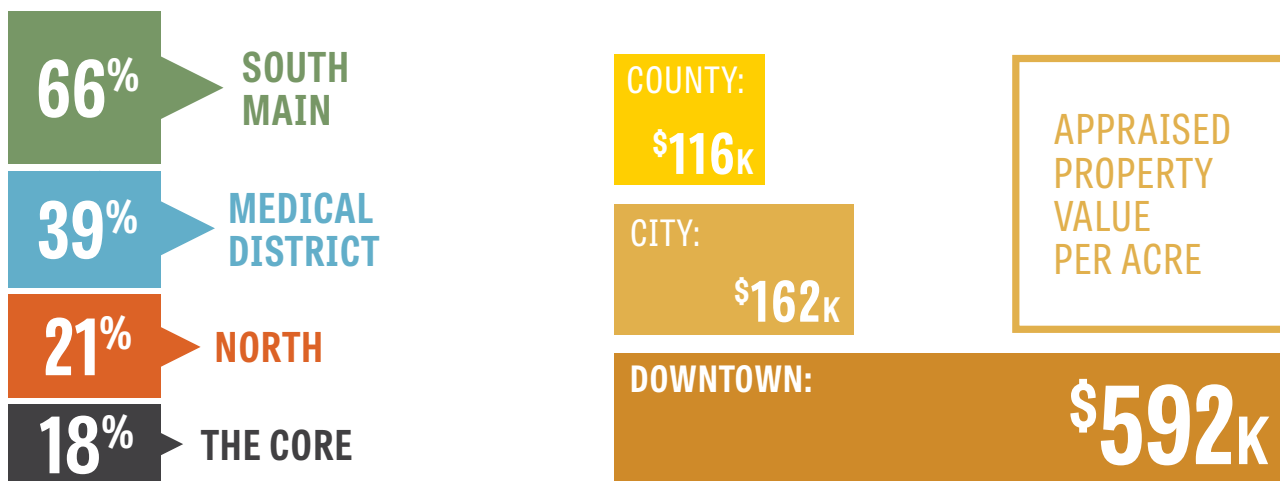
Of course none of this work could be done without strong partnerships between the private and public sectors. Forging those partnerships and efficiently executing strategies to advance Downtown is the strength of the DMC. In the weeks and months ahead, DMC will be engaging with Downtown stakeholders, as well as business, civic and community leaders, to solicit input on priority areas of focus. This input will be used to frame our work agenda moving forward.

I am grateful for the trust that the DMC Board and the Downtown Memphis community has placed in me by selecting me for this exciting challenge. With your help, I look forward to the emergence of a more vibrant, inclusive, and economically healthy Downtown.



J. Terence Patterson
President, Downtown Memphis Commission

INCREASED ASSESSED PROPERTY VALUE SINCE 2005



ABOUT THE DMC

The Downtown Memphis Commission (DMC) is the official partnership between local government and the private business community in the growth of Downtown. Through partnerships, our focus is to make Downtown Memphis a better place to work, live, learn, invest and visit for the purpose of advancing all of Memphis and Shelby County.

DMC was established in 1977 by the City of Memphis and Shelby County governments as an independent, non-profit development agency to capitalize on Downtown's role as the economic, cultural, and governmental heart of the city and county. DMC is primarily funded by a special assessment on commercial properties in Downtown Memphis and fees paid by private Downtown developers; **DMC does not receive funding from either city or county taxes.** All of Memphis and Shelby County benefit from the work performed by the DMC, but citizens and property owners outside of Downtown do not contribute to the DMC's operations or incentives.

DOWNTOWN'S STRATEGIC PLAN

The strategic plan for Downtown was created with input from DMC boards, Downtown stakeholders, regional civic and business leaders, and the public at large to provide goals and strategies in order to advance Downtown Memphis for the betterment of all of Memphis and Shelby County. The plan serves as the framework for the work agenda of the Downtown Memphis Commission with an emphasis on attracting people, investment and development, safety, transportation, vibrancy, anti-blight, outreach and awareness, and cleanliness.

HOW DOES DOWNTOWN MEMPHIS COMMISSION MEASURE SUCCESS?

PRIMARY DMC METRIC: Our primary metric is increasing people – the number of workers, residents, students, tourists, local visitors, and customers – in Downtown Memphis. We are succeeding if we are attracting more people to Downtown Memphis.

SECONDARY DMC METRIC: Our secondary metric is increasing commercial property values in Downtown Memphis. The DMC is funded by Downtown commercial property owners, and it is our responsibility to provide services that directly benefit Downtown commercial property owners.

View the Downtown Strategic Plan and results accomplished by the DMC staff at DowntownMemphisCommission.com

Our Goals for Downtown Memphis:

- Downtown is attractive for real estate development and investment.
- People in Greater Memphis value Downtown and understand the benefits of working, living, learning, shopping, investing, and visiting Downtown.
- Downtown is friendly and safe.
- Downtown is clean and green.
- Getting to and around Downtown is easy, enjoyable and affordable.
- Downtown is animated, vibrant, and fun.
- Downtown is a great place to work and shop.
- Minority- and Women-Owned Businesses have equal access to contracting opportunities Downtown.
- Public spaces in Downtown Memphis are well designed, built, and maintained.

NEIGHBORHOOD OVERVIEW

Downtown's 6.5-square miles is composed of 4 districts, each consisting of many distinct neighborhoods.

From urban residential communities to entertainment districts to office campuses, these neighborhoods have assets, character, and needs unique to their communities. Each differs in land uses, architectural styles, building inventory, and development opportunity. For Downtown to present a better live-work-play experience, connections and access between the neighborhoods should be enhanced.



NORTH

THE CORE

SOUTH DISTRICT

MEDICAL DISTRICT

THE CORE

CIVIC CENTER • MAIN STREET MALL • BEALE ST.
RIVERFRONT • BALLPARK NEIGHBORHOOD

RESIDENTIAL
POPULATION

6,900

OF WORKERS: 33,370



The Core has historically been a district for curious and creative entrepreneurs - business leaders who scoffed at traditional protocol and did it their own way to build greatness.

With Main Street as its spine, The Core grew in the 1800s as the economic center of Memphis industry, and as the hub for entrepreneurs and innovators. The world's first grocery store (Piggly Wiggly) and the world's first five-and-dime store (Kress) both opened on Main Street. Thomas Edison crafted inventions in his office on Main Street. Mom-and-pop shops that catered to the growing river industry lined Main Street. First Tennessee got its start on Main Street, and more than 150 years later, has blossomed into the largest financial institution in the state. Archer Malmo, an advertising agency that originally started as a one-man shop one block off Main Street, has now grown into the largest advertising agency in Tennessee. Baker Donelson Law Firm, which formed in the Core in 1911, is now the largest law firm in the state. AutoZone, a Fortune 500 company and the leading auto parts retailer in the United States with more than \$8.1 billion in annual sales, is also headquartered in the Core.

Downtown's Core still celebrates the renegade, relentless spirit of entrepreneurship. Within a quarter-mile of the corner of Union and Main are some of the most inventive and creative firms in the city – Red Deluxe,



Lokion, Rocket Fuel, Archer Malmo, Farmhouse Creative, Hnedak Bobo Group, Sullivan Branding, LRK Architects, and StartCo, to name a few.

Timing is ripe to build on this center of innovation by creating recruitment tools that are meaningful to entrepreneurs and creative talent.

TOURISM

Beyond the office campus, The Core is also the vibrant tourism hub for the region. Visitors from around the world visit Beale Street - Tennessee's top tourism revenue generator- and regional performance and sporting venues like FedExForum, AutoZone Park, Memphis Cook Convention Center, and the Orpheum Theatre. The Core is a haven for outdoor destinations like Beale Street Landing, Mud Island River Park, Tom Lee Park, bike lanes, green spaces and more. Several museums like the Memphis Rock 'n' Soul Museum, the Cotton Museum, the Memphis Music Hall of Fame, Center for Southern Folklore, Gibson Guitar, Belz Museum and others share the stories of our city's history, culture and artistic vibe. **As the premier district for tourism that serves as the region's front door to more than 6 million visitors, the Core must be held to the highest standard for cleanliness, landscaping, and safety, to ensure the best experience for visitors in our city.**

In addition to improving the visitor experience by enhancing the public realm, **improvements to the Memphis Cook Convention Center must be made in order to attract more conventions and meetings.** To support this goal, Downtown Memphis Commission is adopting criteria to better use needed incentives in support of hotel development that would grow the hospitality business in Downtown.

RESIDENTIAL

Today's Downtown dweller is seeking a walkable lifestyle, and the Core's Main Street provides that opportunity. As cities across the country explore ways to become more pedestrian-friendly and walkable, many are using the concept of "open streets", where vehicular streets are closed to cars and only open for pedestrians and cyclists. As such, our Main Street Pedestrian Mall is now being considered a best-practice concept as residential units along the Mall consistently approach 100% occupancy.

Even though Main Street is a highly desirable location, a few property owners are refusing to sell or develop their blighted properties, creating ugly and undesirable holes along the Mall.

The city must embrace an aggressive stance against neglectful property owners and blighted properties, particularly on the Main Street Pedestrian Mall, one of the most visited and populated street in Memphis.



ASSETS

The Core has the highest residential, workforce and visitor density in the county. Adaptive reuse of many large historic buildings into residential developments over the past decade have transformed the Core into the fastest-growing residential community in the county. The Core is the region's entertainment and tourism hub - home to Beale Street, FedExForum, AutoZone Park, The Orpheum, Memphis Cook Convention Center, Beale Street Landing, 10 museums, and the densest hotel room concentration. It also serves as an anchor for employment with First Tennessee, AutoZone, and 10 large office buildings. The Main Street Pedestrian Mall is hailed as a national best practice for community walkability.

ACTION ITEMS FOR ADVANCEMENT OF THE CORE:

- Focused office recruitment strategy and office campus development for entrepreneurs, startups and creative firms
- Zero-tolerance anti-blight strategy along Main Street Pedestrian Mall
- Aggressive anti-panhandling and safety strategies
- Heightened clean and green programming for streets, alleys and green spaces
- Repurposing of Peabody Place Mall and adding more attractions and needed hotels in and around Beale Street and AutoZone Park
- Improvements to the Memphis Cook Convention Center
- Adoption of hotel smart growth strategy

NEIGHBORHOODS: Peabody Place, Court Square, Civic Center, Cotton Row, Beale Street, Madison Avenue Corridor

RESIDENTIAL GROWTH SINCE 2000: 54%

PROPERTY VALUE INCREASE SINCE 2005: 21%

NUMBER OF ANNUAL VISITORS: 6 million

NUMBER OF HOTEL ROOMS: 3,061

GREEN SPACES: Court Square, Memphis Park, Mississippi River Park, Tom Lee Park, Mud Island Green Belt, Barking Lot, Robert R. Church Park

DEVELOPMENT PROJECTS: One Beale, Visible Music College expansion, AutoZone Park renovations, Ascend Hotel, Hilton Garden Inn, Holiday Inn Express, La Quinta Inn, Cambria Hotel

SOUTH DISTRICT

SOUTH MAIN • SOUTH END • SOUTH BLUFFS

PROPERTY VALUE
INCREASE SINCE 2005

66%

POPULATION: 3,350



Nearly \$500 million in new development is underway or recently completed in South Main, bringing in a multitude of residents, attractions, restaurants and more.

South District, which extends south of MLK Avenue to Crump and is primarily comprised of South Main, has seen remarkable growth over the past year, with even more development in the works. In the 1-square mile South Main neighborhood where 3,300 people live, more than 550 additional residential units are underway with 600 in the planning phase, which, when completed, will nearly double the existing population.

South Main is enjoying catalytic historic renovations that will dramatically redefine the neighborhood. Construction on the Chisca – a long-time blighted property that stands at the gateway to the neighborhood and has served as a deterrent to entry – is nearing completion. The building will soon be back to full glory with more than 160 residential units and two restaurants; LYFE Kitchen and Catherine and Maria's. The Tennessee Brewery renovation and attached new construction, along with a new parking garage, will soon welcome hundreds of new residents near the ambitious Central Station project.



Central Station's comprehensive plan will have a transformative impact on the neighborhood, with the addition of 216 residential units, a boutique hotel, a Malco movie theatre, a re-imagined Farmers Market, commercial and restaurant space, community gardens, and more. Central Station is expected to be a retail and entertainment anchor for the neighborhood that will help generate more traffic for existing retailers and restaurants and spur new retail and commercial tenants.

Other residential projects include the Crescent Bluff apartment communities, the renovation of The Artesian (luxury condos), South Junction Apartments, renovated warehouses and new infill along Front Street, and new projects along Second Street. The influx of new residents into South Main is poised to create one of the densest residential populations in the county. **As such, infrastructure issues like traffic flow, clean and green issues, landscaping, and more need to be addressed.**

Expansion to the east of South Main is imminent. Thanks to a \$30 million grant from the federal government, the existing 420-unit blighted public housing project, Foote Homes, will be replaced by a new Choice Neighborhoods housing community called South City. South City will be a safe, green, and well-managed complex of 712 apartments offered to a range of income levels, similar to Uptown. The site itself will have a fitness room, community spaces, and pocket parks. City officials predict that South City project will draw additional public and private investments of nearly \$280 million to the area. **Connectivity between South Main and South City and up to the Medical District should be explored.**

While South Downtown is for the most part a residential neighborhood, new and improved attractions like the Big River Trail (aka Harahan Bridge pedestrian/bicycle bridge across the Mississippi River), Blues Hall of Fame, and a new movie theatre will draw more tourists and visitors to the area for exploration beyond the National Civil Rights Museum. **Improved transit options - like bike share and expanded trolley service - are needed to create better access and visitor movement between the Core and South Main.**

NO. 7 BEST FARMER'S MARKET IN THE U.S.
- *The Daily Meal*



ASSETS

Several residential developments underway in South Main are expected to nearly double residential population within the next 2 years. Long-abandoned catalytic historic buildings previously thought to be nearly impossible to develop are now under construction or nearing completion. Preserving these historic buildings captures and advances the character of the neighborhood. A 66% increase in collective property values since 2005 indicates good opportunity for property investment. South Main sees high demand for small office space catering to creative industries. While South Downtown is largely supported by locals, new attractions and events will continue to draw tourists seeking authentic Memphis experiences.

ACTION ITEMS FOR ADVANCEMENT OF THE SOUTH DISTRICT:

- Re-purpose the Memphis College of Art's grad school building
- Identify public realm infrastructure needs for rapidly growing residential population
- Recruit more local retailers and restaurants to support the influx of new residents and visitors
- Encourage property owners to reserve ground-floor uses for retail, restaurants and businesses that activate the space with events and programming to increase vibrancy
- Install more public art

NEIGHBORHOODS: South Main, South Bluffs, South City, French Fort

POPULATION: 3,350

RESIDENTIAL GROWTH SINCE 2000: 28%

HOUSEHOLD GROWTH SINCE 2000: 60%

PROPERTY VALUE INCREASE SINCE 2005: 66%

DEVELOPMENT PROJECTS: 266 Lofts, Halloran Centre, The Chisca, Old Dominick's Distillery, Printers Alley Lofts and Annex, Blues Hall of Fame, Tennessee Brewery and The Wash House, Bottle Shop Garage, 2nd Street Flats, Central Station Project, Malco Theatre, The Artesian, South Junction, South Main Artists Lofts (Artspace), archimania, Cresnet Bluffs

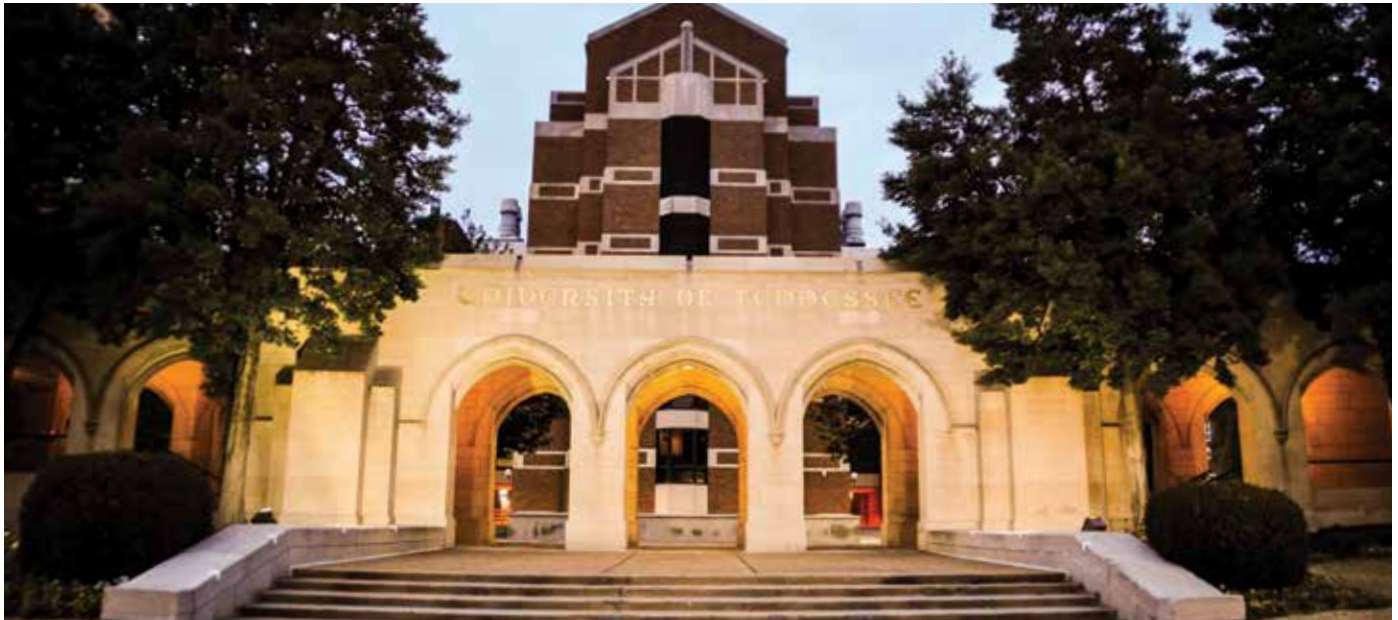
MEDICAL DISTRICT

VICTORIAN VILLAGE • THE EDGE • MED. DIST. PROPER

PROPERTY VALUE
INCREASE SINCE 2005

39%

POPULATION: 5,300



The 700-acre Medical District, directly adjacent to the Downtown Core on the east, includes a collection of educational and medical institutions, as well as The Edge and Victorian Village neighborhoods.

The Medical District holds Downtown's highest concentration of property development and investment with more than \$1 billion in projects either underway or recently completed. Education and medical institutions, which employ more than 30,000 workers and enroll more than 8,500 students, are expanding their campuses, bringing more students, faculty, employees, and, ultimately, needs to the area.

To assure that growth in the Medical District is properly coordinated among the various institutions, a new organization, U3 Advisors, is developing and executing a comprehensive plan that will create a better built environment for the district. U3 Advisors, with input from district institutions, is exploring public infrastructure and landscaping needs, traffic flow, pedestrian access, enhanced green spaces, vibrancy and events, and more. The Downtown Memphis Commission is collaborating with U3 Advisors to help facilitate solutions to address needs identified for the district.



As institutions in the district grow, more nearby housing for students, doctors, hospital workers and researchers is critical. Housing inventory in and around the Medical District is limited or in many cases outdated. While Crosstown Concourse is a great stride in offering more residential options for the Medical District, **great opportunity exists for new market-rate and student housing developments in The Edge and Victorian Village.**

HOUSING OPPORTUNITIES

The Edge would be an ideal neighborhood for a retail, restaurant and commercial center to serve the growing Medical District community.

As home to Sun Studio, High Cotton Brewery, St. Blues Guitar, Marshall Arts, and some established restaurants, The Edge has attractions that bring diverse customers to the neighborhood. **New coffee shops, bars, casual dining options, and unique retail shops that enhance the district's quirky, artistic vibe would appeal to the existing market and offer options desirable to Medical District employees and students.**

Aesthetics and infrastructure in The Edge, and connections to The Edge from The Core and Medical District, must be enhanced. Union Avenue between Fourth Street and Marshall, a major gateway into the Downtown Core and a well-traveled pedestrian path to Sun Studio, is riddled with blighted properties and an uninviting public realm. **New landscaping, banners, signage and sidewalk improvements must be added along this key corridor. In addition, intense cleaning, improved green spaces, more public art, and replacement of chain link fencing and razor wire throughout The Edge will greatly improve the environment.**

Great strides have been made in the Victorian Village to retain the historic character of the neighborhood. New single-family housing along Jefferson is a solid step in offering desired market-rate housing for the area. In addition to more housing options, **renovation of remaining historic structures are needed in the Victorian Village. Also, improvements to Morris Park and gateway entries into the neighborhood also need to be addressed.**

SUN STUDIO
NO. **2** ON TOP 10 LIST
OF BEST MUSIC
DESTINATIONS
- CNN Travel



OVERVIEW

There are more than 8,500 students enrolled in the medical and education institutions within the Medical District. While residential has declined over the past decade, the district's growing workforce and education base points to a high need for market-rate and student housing. Efforts are underway in Victorian Village and The Edge to offer more housing and amenities.

ACTION ITEMS FOR ADVANCEMENT OF THE MEDICAL DISTRICT:

- More housing and residential developments in The Edge and Victorian Village catering to students and medical professionals
- Improved connectivity along Union Avenue between The Core and The Edge
- Aesthetic and infrastructure improvements in The Edge, including public art, landscaping, signage, district-wide cleanup, incentives for chain link fence and razor wire removal, etc.
- Recruitment of retail, restaurants, bars and other businesses to The Edge that augment the neighborhood's quirky vibe
- Partner with U3 Advisors to facilitate tactics as needed

NEIGHBORHOODS: Victorian Village, The Edge, Medical District Proper

POPULATION: 5,300

RESIDENTIAL GROWTH SINCE 2000: -17%

PROPERTY VALUE INCREASE SINCE 2005: 39%

DEVELOPMENT PROJECTS: Methodist University Hospital, Crosstown Concourse, UT Translational Sciences Research Building, Southwest Community College Nursing and Biotechnology Building, LeBonheur Offices and Garage

NORTH

MUD ISLAND • THE PINCH • UPTOWN

RESIDENTIAL
GROWTH SINCE 2000

49%

POPULATION: 8,700



NEW DEVELOPMENT AND GROWTH.

The Pinch, Uptown and Mud Island expect imminent growth.

With the opening of Bass Pro Outdoor World, which has welcomed more than 2 million visitors in its first 8 months, development opportunity is ripe for The Pinch. For nearly a decade, development in this neighborhood has been stalled due to uncertainty about The Pyramid and unfulfilled plans by the city to transform the neighborhood into a retail center. With planned improvements to the Memphis Cook Convention Center and the success of Bass Pro as a tourism anchor, The Pinch is destined to be substantially transformed in the near future. **Needed hotels and entertainment centers with dining and retail options for conventioners and tourists are viable development considerations for The Pinch.**

St. Jude Children's Research Hospital's recent announcement of a \$7 billion campus expansion in and around The Pinch represents additional opportunity. One of Downtown's most esteemed gems, this world leader in the research and treatment of childhood cancer will undergo unprecedented growth in Memphis and bring in thousands of new employees to Downtown and to Memphis.

New single-family and multi-family housing options will be needed for doctors, researchers and administrative employees recruited to the city. Plans have been announced to extend Uptown's residential footprint to the north and to the east, and opportunity for neighborhood revitalization along the Wolf River Harbor remains.

With St. Jude's expansion and the growth of institutions in the Medical District, better connectivity between The Pinch and Medical District along and around Alabama Street are needed. **Developing underused areas in and around the North District with new residential communities should be explored.**

BIG CYPRESS LODGE
TOP **10** BEST HOTELS
IN 2015
- *The Daily Meal*

MUD ISLAND

Another key asset of the district is Mud Island. The north end of Mud Island is at capacity for residential neighborhoods. This self-contained idyllic community, comprised of 13 neighborhoods, includes a school, a daycare, shopping, a hotel, restaurants and a grocery store. Residents on Mud Island continue to see increases in their waterfront property values.

On the south end of Mud Island, proposals are being sought to re-imagine Mud Island River Park as a world-class riverfront tourist destination.

Renovation of Mud Island River Park is timely in joining new riverfront amenities like Bass Pro Outdoor World, Beale Street Landing, Grizzlies Riverfit Park and Big River Trail.



OVERVIEW

North Downtown has the highest concentration of single-family housing stock in Downtown and is where the majority of the families with children reside. While Mud Island is nearing its development capacity, Uptown, with its proximity to the St. Jude campus and areas of underused land, presents a good opportunity for family-oriented services and retail and additional single-family development. The Uptown II Plan proposes the creation of vibrant green spaces and park areas along the Wolf River Harbor. Bass Pro Outdoor World has surpassed expectations as a destination center with more than 2 million visitors in the first 8 months of opening.



ACTION ITEMS FOR ADVANCEMENT OF NORTH DOWNTOWN:

- More family housing and family-oriented amenities in Uptown and beyond
- Retail, restaurant and hotel opportunities in the Pinch to serve new Bass Pro visitors and Memphis Cook Convention Center
- Better connections to The Core and Memphis Cook Convention Center
- Better connections and residential development between St. Jude and the Medical District
- Re-imagined Mud Island River Park as a world-class destination

NEIGHBORHOODS: Mud Island (includes 13 communities), Uptown, and The Pinch

POPULATION: 8,700

RESIDENTIAL GROWTH SINCE 2000: 49%

PROPERTY VALUE INCREASE SINCE 2005: 18%

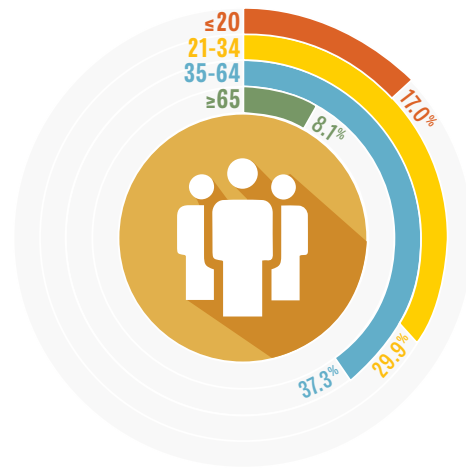
DEVELOPMENT PROJECTS: St. Jude campus expansion, Uptown Phase II



SOUTH MAIN: 4TH MOST UNDERCOVER, STYLISH NEIGHBORHOODS IN US

- *Paste Magazine*

DOWNTOWN AGE SEGMENTS



RESIDENTIAL MARKET

DOWNTOWN'S RESIDENTIAL MARKET IS STRONG.

More than \$430 million in new residential projects are in the works.

New development is keeping with market demand as more people are choosing to live in Downtown as compared to any other community in Memphis. Downtown's population growth rate since 2000 is almost 4.5 times that of Shelby County's, and more single-family households with higher incomes are moving to Downtown.

Nearly 2,000 apartments and condos have been recently completed, are under construction or planned throughout Downtown, with an expectation of more residential projects to be announced. Residential growth is especially high in the South District with an explosion of apartment projects in South Main and the announcement of the South City neighborhood revitalization project in place of Foote Homes public housing.

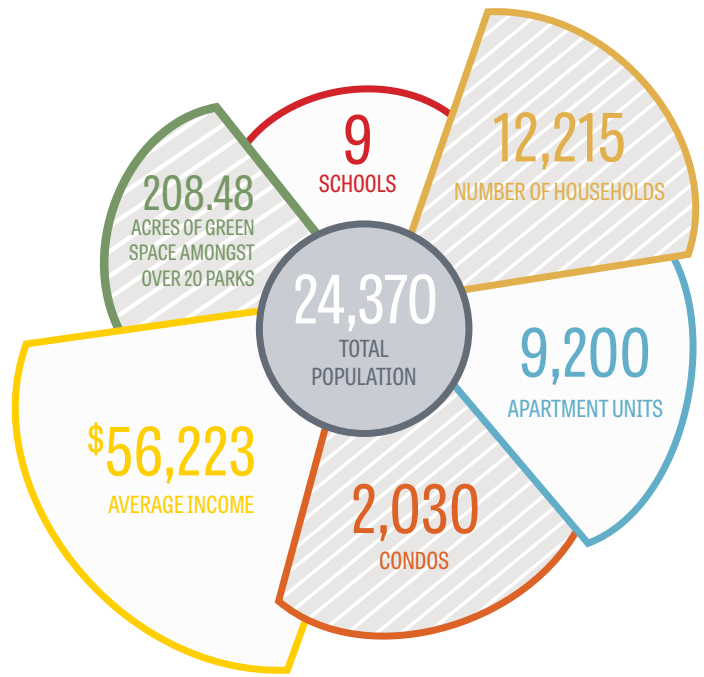
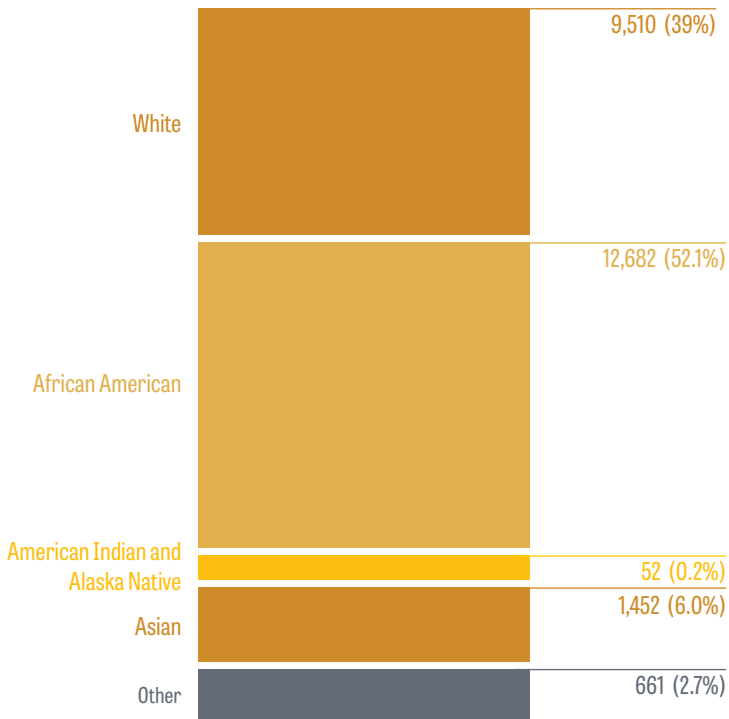
Opportunity for student and market-rate housing is prime in The Edge neighborhood near the Medical District, and for new single-family and multi-family housing in and around Uptown extending north and east. The Core continues to experience very high apartment occupancy with an overall



94% occupancy rate and nearly 100% along the Main Street Pedestrian Mall. Even with added residential inventory in 2015, overall apartment occupancy for Downtown remained its 2014 level of 93%.

The population of Downtown Memphis is diverse with a mix of incomes, lifestyles and age groups. Households with incomes greater than \$75,000 per year are the fastest growing income segment. The fastest growing age segment is the 35-64 as the fastest growing age segment at 41%, followed by the 21-34 age group at 32%.

RACIAL DIVERSITY



Growth of the office market is inextricably linked to the residential market. Business location decision makers often choose areas with a blend of executive-level housing and more affordable options to meet the needs of their workforce. While neighborhoods like South Bluffs and Harbor Town do offer upscale housing options, more executive-level housing is needed for the Downtown residential market so that Downtown becomes a more viable option for business recruitment.

The residential market also drives the retail market. National and regional retailers, such as grocery stores, look at not only how many people are living in an area but the income levels of the residents in the area. We must continue to build the population as it approaches critical mass and to recruit more high-wage earners in order to attract more office users and retailers to Downtown.



AVERAGE APARTMENT RATE:

N'HOOD	1 BR	2BR
CORE	\$1,040	\$1,500
NORTH	\$970	\$1,260
SOUTH	\$955	\$1,230
MEDICAL DIST.	\$484	\$831
CBID	\$850	\$1,250



Photo by: Cat & Fish

NO. 7 “BEST CITY TO START A BUSINESS”

- *WalletHub*



Photo by: Cat & Fish

“TOP 4 MARKETS FOR MILLENNIALS” IN THE NATION

- *Wall Street Journal*

OFFICE MARKET

DOWNTOWN EMPLOYERS OFFER HIGHER SALARIES THAN IN OTHER AREAS.
Nearly 60% paying more than \$40K per year.

Of the 324-mile total area that encompasses Memphis, Downtown’s 6.5 square miles employs an impressive 16% of the city’s workforce. With nearly 62,400 workers, Downtown is not only the hub for government and employees in the medical field, it is also a growing center of innovation for entrepreneurs, startups and the creative industry.

Downtown’s largest work segment is healthcare, employing 32% of Downtown’s workforce. With St. Jude Children’s Research Hospital’s announcement of a \$7 billion expansion and exceptional growth in other medical institutions, thousands more medical employees will soon work Downtown.

Knowledge workers and creative thinkers are drawn to authentic, walkable and vibrant work communities. Working in a densely populated community of other entrepreneurs and creative thinkers fosters a desirable environment of collaboration, networking opportunities, social engagement, and inspiration that make Downtown unique. As such, this segment of workers in Downtown is growing.



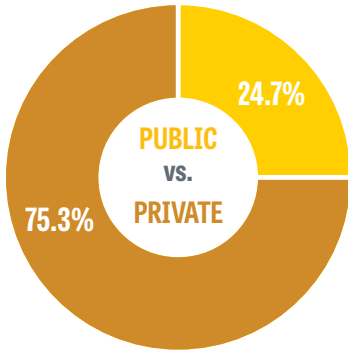
Photo by: Cat & Fish



“WHY THIS SOUTHERN CITY MIGHT JUST BE THE EDGIEST STARTUP HUB IN THE U.S.”

- Inc Magazine

**TOTAL OFFICE SPACE DOWNTOWN:
3.06 MILLION SQ. FEET**



LEASE RATES COMPARED TO OTHER MARKETS

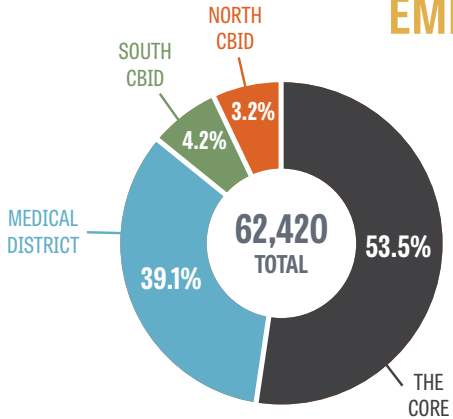
	CLASS A	CLASS B
DOWNTOWN	\$17.82	\$13.79
EAST	\$22.44	\$18.61
385 CORRIDOR	\$19.57	\$16.45

The Downtown Core, particularly between Madison and Peabody Place, is developing into a center for creative firms, startups, entrepreneurs, and technology-driven companies. South Main is also drawing smaller marketing, advertising, graphic design and artistic organizations. Downtown’s connected and walkable office campus with its more than 100 restaurants, 60 shops, entertainment venues, and amenities like health clubs and day cares are attractive to office workers. Commercial brokers report that companies looking to recruit talent from outside of Memphis are using Downtown as a key tool in attracting young professionals.

LARGEST EMPLOYERS DOWNTOWN:

- City of Memphis
- Shelby County Government
- Methodist Le Bonheur Healthcare
- MLGW
- St. Jude / ALSAC
- University of Tennessee
- Veterans Administration
- IRS
- Southwest TN Community College
- Regional Medical Center
- First Horizon National Corp
- State of TN

EMPLOYEE BASE BY DISTRICT



NEIGHBORHOOD

- THE CORE
- MEDICAL DISTRICT
- NORTH CBID
- SOUTH CBID

EMPLOYEE COUNT

- 33,370
- 24,415
- 2,000
- 2,635



**VOTED ONE OF THE
"11 GREAT RIVERFRONT TOWNS"**

- CNN Travel



**NO. 1 BEST NBA DESTINATION
IN THE COUNTRY**

- USA Today 10Best Poll

TOURISM MARKET

DOWNTOWN IS MEMPHIS' FRONT DOOR.

Welcoming an estimated 6 million people every year, with new amenities like Bass Pro Outdoor World, Blues Hall of Fame, Memphis Music Hall of Fame and the soon-to-be-opened Big River Trail, we expect more visitors from around the world to enjoy our authentic, creative and friendly spirit.

LIST OF DOWNTOWN MUSEUMS & ATTRACTIONS:

- AutoZone Park
- Bass Pro Outdoor World
- Beale Street Historic District
- Beale Street Landing
- Belz Museum of Judaic and Asian Art
- Blues Hall of Fame
- Cannon Center for the Performing Arts
- Center for Southern Folklore
- Cotton Museum of Memphis
- Ducks Unlimited Waterfowl Museum
- FedExForum
- Gibson Guitar Factory
- Halloran Centre for Performing Arts and Education
- Jack Robinson Gallery
- The Magevney House
- Mallory-Neely House
- Memphis Cook Convention Center
- Memphis Farmers Market
- Memphis Music Hall of Fame
- Memphis Railroad and Trolley Museum
- Memphis Rock 'n' Soul Museum
- Metal Museum
- Mississippi River Museum
- Mud Island River Park
- National Civil Rights Museum
- Orpheum Theatre
- Slavehaven Underground Railroad Museum
- Stax Museum of American Soul Music
- Sun Studio
- WC Handy Home and Museum
- Withers Collection Museum Gallery
- Woodruff Fontaine House Museum

NEW RETAIL & RESTAURANTS:

- 387 Pantry
- 387 Salon
- Agave Maria
- Bedrock Eats & Sweets
- Burrito Blues
- Dizzy Bird
- Hole in the Wall
- Ions: A Geek Gallery
- Lansky Clothier to King
- Makeda's Homemade Cookies
- Maciel's Tapas & Tacos
- Pat Halloran's ART Attack
- Ray's BBQ
- South Main Sushi & Grill
- Tin Roof

ECONOMIC IMPACT

CONVENTION
CENTER REVENUE
GENERATION

\$70
MILLION

HOTEL REVENUE
FOR THE YEAR

\$104
MILLION

AVG. DAILY
EXPENDITURE
OF CONVENTION
TRAVELER

\$340

AVG. DAILY
EXPENDITURE
OF THE LEISURE
TRAVELER

\$397

EXISTING
HOTELS

22

RESTAURANTS

126

EXISTING
HOTEL ROOMS

3,576

HOTEL ROOMS
IN THE WORKS

1,200

The opening of Bass Pro Outdoor World and Big Cypress Lodge Hotel has brought more than 2 million visitors to Downtown in the first 8 months of opening. Beale Street enjoyed a profitable year in recent history and is now nearly 100% leased. New development to the west of Beale Street will extend the street to the Mississippi River, and extension of Beale Street to the east should be considered.

The connection to the riverfront is important. With new attractions along the Mississippi River like Bass Pro, Beale Street Landing, Grizzlies River iFt Park, Big River Trail, and a possible redevelopment of Mud Island River Park, the riverfront is poised to be reinvigorated.

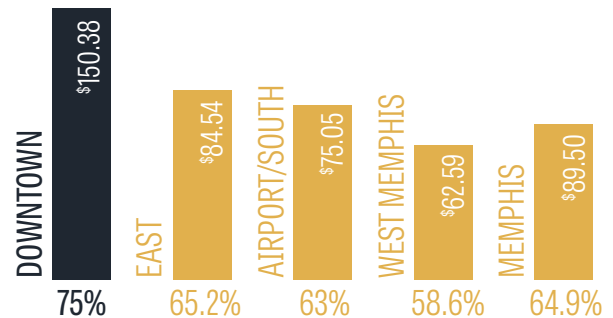
AutoZone Park, which underwent \$6 million in renovations, is being hailed as the #2 minor league park in the nation. FedExForum, home of the Memphis Grizzlies, continues to bring hundreds of thousands of people to Downtown each year.



NO. **1** ON "AMERICA'S 50 BEST
FRIED CHICKEN SPOTS"

- *Baseball America*

JUNE YTD 2015 HOTEL OCCUPANCY & AVG. DAILY RATE



The Orpheum's new Halloran Centre, a premier event venue, has been lauded as one of the greatest new assets to Downtown and has been successful in recruiting events like Indie Memphis and others to Downtown. More family-friendly attractions and amenities are needed to build on the visitor experience.

The demand for more hotel space is high. While we are seeing national interest from hotel developers to bring limited-service hotels to Downtown, particularly along Union Avenue, according to the Memphis Convention & Visitors Bureau, the greatest opportunity to build the Downtown convention base is to recruit full-service hotels with more than 300 rooms under one roof. That type of hotel stock, of which Downtown has limited inventory, is desirable for event planners who book conventions across the country. Larger hotels should be considered for The Pinch area near the Memphis Cook Convention Center and near the entertainment district.

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DATA SOURCES: CBRE Memphis, Downtown Memphis Commission, Memphis Conventions Visitors Bureau, Nielson Answers, OnTheMap Application, Pinkowski & Company, Shelby County Assessor, U.S. Census Bureau

THE STATE OF DOWNTOWN MEMPHIS REPORT
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