

**RESOLUTION AUTHORIZING LOAN
TO
THE PARKING AUTHORITY OF THE CITY
OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE
(BAKERY PARKING GARAGE)**

WHEREAS, it is vital to the economic growth and development of the City of Memphis (the “City”) that vacant and blighted buildings be redeveloped and placed back into service;

WHEREAS, the EDGE area is a strategic focus for the Downtown Memphis Commission;

WHEREAS, the Wonder Bread Bakery site has been vacant since the plant closed in 2013 and the adjacent properties at 421 Monroe, 411 Monroe, 407 Monroe and 435 Madison are also vacant;

WHEREAS, it is critical to the character of our City to save and reuse buildings such as the Bakery and the former Memphis Cycle Supply building whenever possible;

WHEREAS, the cost of redeveloping the Bakery far exceeds the present value of the likely economic returns on such an investment, making a purely private redevelopment impracticable;

WHEREAS, PKG Properties, LLC (the “Ownership Group”) has purchased the Bakery site and adjacent buildings at 421 Monroe, 411 Monroe, 407 Monroe and 435 Madison and proposes to renovate and develop the property into a mixed-use facility, including multifamily residential, office, commercial and parking (the “Project”) for a total estimated project cost of approximately Seventy Three Million Dollars (\$73,000,000);

WHEREAS, the redevelopment of the Project into a mixed-use facility, including multifamily residential, office, commercial and parking, would remedy blight, create jobs, increase surrounding property values, and provide needed housing in the core of the city, and help attract new citizens to Memphis;

WHEREAS, the Ownership Group commissioned a parking study which shows a current need for parking in the EDGE area, including the area of the Project, and that such demand will increase as the new developments under construction or planned in the EDGE District, including the Project, are completed;

WHEREAS, to make the project economically possible and to provide public parking for the EDGE area, including the Project, it is proposed that the Parking Authority of the City of Memphis and County of Shelby, Tennessee, a public, nonprofit corporation existing under Sections 7-65-101 et. seq., Tennessee Code Annotated (“DPA”), construct an approximately 480 space parking garage constituting a part of the Project (the “Bakery Parking Garage”);

WHEREAS, it is further proposed that CCRFC will loan DPA up to \$6,000,000 from certain of its funds commonly known as the PILOT Extension Fund (the “Loan”) for the construction of the Bakery Parking Garage;

WHEREAS, it is further proposed that CCRFC will lease the Bakery Parking Garage to DPA pursuant to a lease agreement (the “Lease”) and that DPA will sublease the Bakery Parking Garage to the Ownership Group pursuant to a capital lease under which the Ownership Group will construct the Bakery Parking Garage on behalf of DPA;

WHEREAS, but for the incentives described above, it will not be economically feasible for the Ownership Group to renovate and construct the Project;

WHEREAS, by Resolution adopted December 16, 1997, this Corporation authorized and approved the execution and delivery of a Collateral Trust Indenture (the “Collateral Trust Indenture”) with First Tennessee Bank National Association, as trustee (the “Collateral Trustee”), pursuant to which this Corporation agreed to pledge all rents to be received under certain payment in lieu of tax leases (the “PILOT Leases”) to form a collateral pool; and

WHEREAS, US Bank National Association has succeeded to the interest of First Tennessee Bank National Association as trustee under the Collateral Trust Indenture; and

WHEREAS, all revenues received by the Collateral Trustee from the PILOT Leases have been pledged to US Bank National Association (the “Master Trustee”) under Master Trust Indenture as previously supplemented and amended (as so supplemented and amended, the “Master Indenture”) between this Corporation and the Master Trustee; and

WHEREAS, under the terms of the Master Indenture, the Master Trustee is authorized to release certain funds to this Corporation; and

WHEREAS, it is proposed that this Corporation request that the Master Trustee release \$6,000,000 of the funds held under the Master Indenture to it and that up to \$6,000,000 be used to fund the Loan; and

WHEREAS, the Loan will be evidenced by a Promissory Note (the “Note”) from DPA to this Corporation and a Loan Agreement (the “Loan Agreement”) by and between DPA and this Corporation;

WHEREAS, the Loan will be secured by a Tennessee Fee Deed of Trust with Security Agreement and Assignment of Rents and Leases (the “Deed of Trust”) from DPA encumbering the Bakery Parking Garage; and

WHEREAS, the approval of the Mayor of the City of Memphis, the Mayor of Shelby County, the Memphis City Council and the Shelby County Commission is required for CCRFC to use up to \$6,000,000 from the PILOT Extension Fund to fund the Loan.

NOW, THEREFORE, BE IT RESOLVED by this Board of Directors as follows:

1. This Corporation acknowledges that the approvals of the Mayor of the City of Memphis, the Mayor of Shelby County, the Memphis City Council and the Shelby County Commission (the "Governmental Approvals") are required for CCRFC to use up to \$6,000,000 from the PILOT Extension Fund to fund the Loan, and this Corporation hereby authorizes the President of this Corporation to request such approvals.

2. Contingent upon the Governmental Approvals of the use of up to \$6,000,000 from the PILOT Extension Fund for the Loan, this Corporation does hereby authorize and approve the release by the Master Trustee of up to \$6,000,000 in funds held under the Master Indenture to the Corporation and the use of such funds for the Loan.

3. Contingent upon the Governmental Approvals, the use of up to \$6,000,000 from the PILOT Extension Fund for the Loan and the Loan by this Corporation to DPA are hereby approved and authorized in all respects.

4. This Corporation hereby authorizes and approves the execution by its President or any of its other officers and the delivery of the Loan Agreement, pursuant to which this Corporation will make the Loan. The Loan Agreement shall be in the form approved by the President or other officer of this Corporation executing the same with such execution to constitute conclusive evidence of such officer's approval and this Corporation's approval of the form, terms and provisions of the Loan Agreement. From and after the execution and delivery of the Loan Agreement, the officers, agents and employees of this Corporation are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement, as executed.

5. This Corporation hereby approves acceptance of the Note and the Deed of Trust from DPA in the form thereof as the officer of this Corporation executing the Loan Agreement shall approve, the execution and delivery of the Loan Agreement by such officer to constitute conclusive evidence of the approval by such officer and the approval by this Corporation of the form, terms and provisions of the Note and Deed of Trust.

6. This Corporation does hereby ratify the execution and delivery of the Master Indenture, and the pledge of any amounts held under the Collateral Trust Indenture to secure obligations to be issued under the Master Indenture.

7. Each of the officers of this Corporation be, and hereby is, authorized and directed to do any and all other acts, including without limitation the execution and delivery of the Lease and any of the other documents necessary and desirable to make effective these Resolutions, and the execution, delivery and performance thereof by such officer or officers of this Corporation shall be deemed to be conclusive evidence of the approval by this Corporation of the terms and conditions and appropriateness thereof.

8. All prior resolutions of this Board of Directors or any parts thereof in conflict with any or all of this Resolution are hereby repealed to the extent of such conflict but are otherwise ratified and approved.

9. The Secretary or any other officer of this Corporation is hereby authorized to certify to the due adoption of this Resolution and to provide certified copies of this Resolution and any other Resolutions to any party in connection with the transactions contemplated by this Resolution and to attest the execution of any document or instrument by any other officer on behalf of this Corporation.

Adopted this 8th day of August, 2017.

MEMPHIS CENTER CITY REVENUE FINANCE
CORPORATION

By: _____
Its: _____