Center City Development Corporation
Board Meeting

To: Center City Development Corporation (CCDC) Forgivable Loan Committee
From: DMC Staff
Date: April 23, 2020
RE: Downtown Business Continuity Forgivable Loan Request – The Pocket

The enclosed Business Continuity Forgivable Loan has been submitted for consideration at the April 24, 2020, CCDC Forgivable Loan Committee Meeting.

Project:	**The Pocket, 115 Union**
Applicant:	Mr. Tyrone Burroughs 115 Union Memphis, TN 38103
Property Owner:	115 Union Avenue LLC 9181 Forrest Estates Cv. Germantown, TN 38139
Project Description:	Over the past 2 years, The Pocket has become one of the premier Downtown social hotspots for Memphians and visitors alike. It is known for its upscale ambiance and service. Due to the social nature of the business, COVID-19 protocol has caused a complete stop to the business operations
Use of Loan Funds:	Staff has reviewed current financial statements for this business and recommends that the loan proceeds be used for the following immediate expenses: o Rent o Utilities o Operation expenses
EBO Program:	This application will not involve making any physical improvements to the space using the Forgivable Loan proceeds.
Payment Schedule:	The initial repayment will be deferred for 6 months. The payments will begin in October, 2020, at a minimum amount of $83.34 per month.
Staff Recommendation:	Approve a Business Continuity Forgivable Loan of $5,000.

FIT TO BE SEEN

THE POCKET

April 16, 2020

Dear Mr. Roler:

The Pocket opened in Spring of 2018 on Union Avenue and offers an experience that you could only get in Miami. It brought a new life to downtown Memphis and bringing back speakeasies. It's a venue where customers can get a tailored made drink, creative tapas, and relax with live music. It houses an upstairs bar and lounge area, a downstairs bar, cigar bar, a menu of beef sliders, crab cakes and decadent desserts such as bourbon and Bailey's brownies. The ambience is classy for the sophisticated Memphian and an attraction for the Memphis tourists.

The Pocket is locally and minority owned by myself, Tyrone Burroughs, and has been operating for 2 years. It currently employs 20 professional individuals, most of which were unfortunately laid off due to the Covid-19 Pandemic.

Although The Pocket has been operating successfully, the closing of the establishment has resulted in a heavy financial burden impacting the lives of the employees and their families. The lack of revenue flow has made it difficult to continue payroll and replenish needed inventory and cover lease payments.

The approval of the loan will offset the negative impact Covid-19 has had on The Pocket. The proceeds from the loan would secure payroll for remaining employees, potentially rehire some that were laid off, allow for the purchasing of essential inventory items, cover lease payments and assist with other operational expenses to ensure the successful operation of this exclusive downtown establishment.

Thank you for reviewing this application and I look forward to your reply.

Kind Regards,

Tyrone Burroughs

115 Union Ave.
Memphis, TN 38103

APPENDIX I: DOWNTOWN BUSINESS CONTINUITY FORGIVABLE LOAN PROGRAM APPLICATION

Date of Application:	April 2, 2020
Building/Property Address:	115 Union Avenue Memphis, TN 38103
Applicant's Name:	Tyrone Burroughs
Name of Business:	The Pocket

How long have you been operating in this location?	2 years
Building Ownership Status:	□ Own ■ Lease □ Other_____
Size of Current Location (Sq. Ft.)	6200
How do you plan to use the grant?	Operational expenses & rent

Legal Disclosure:	*Disclose in writing whether any applicant, guarantor, or any other person involved with the project is currently engaged in any civil or criminal proceeding or ever filed for bankruptcy. Also, disclose whether any individual involved with the project has ever been charged or convicted of any felony or currently is under indictment:* N/A

Board Relationship Disclosure:	*Disclose in writing whether the applicant or any guarantor has any previous or ongoing relationship with any Board member or legal counsel of the Board.* N/A
Applicant's Certification:	This application is made in order to induce the CCDC to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show best faith efforts with regard to the employment of minority and/or women contractors and subcontractors in the project development. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted or project completed. Signature: Date: 4/2/20