

Public comments made by Mackenzie Stonis at the Downtown Memphis Commission board meeting on 4/27/18:

Let us discuss “Accountability.”

In granting 1 South Main LLC an Exterior Improvement Grant, the DMC has failed to do its due diligence and verify the accuracy of the disclosures.

The grant application, submitted on December 19, 2017 and signed by Michael Kitchen, clearly states that, “The applicant is not currently engaged in any civil or criminal proceedings...” This statement was, and continues to be, false. On July 25, 2017 (over four months before the application was submitted, and 7 months before the application was approved by the DMC) 1 S. Main LLC filed a “forcible entry and detainer” notice in the Court of General Sessions, Shelby County, Tennessee to Christopher Reyes and Vernice Kuglin - thus engaging in a *civil litigation proceeding*.

The DMC was made aware of this matter via phone calls to board members and DMC President Jennifer Oswalt *before* the grant was awarded. Additionally, Christopher Reyes and his family attended the board meeting on Feb. 21 2018 and made the board members present aware of the situation in person, again *before*, the application was approved. Ignorance of these circumstances not a viable spin.

By failing to rescind the EIG the DMC continues to publicly refuse to hold Michael Kitchen and 1 S. Main LLC accountable for knowingly providing false information on the Grant application. In doing so, the DMC is openly exposing the opportunity to review all EIGs, PILOTS, and other Downtown financial considerations currently in play.

This continued behavior deeply undermines the public’s faith in the abilities of the DMC to properly manage and oversee Grant applications and awards. Moreover, the lack of action or response to this issue, seriously jeopardizes future opportunities for investments in a vibrant Downtown Memphis. The DMC needs to take responsibility for this failure.

You have a problem. See it, own it, solve it.