

**RESOLUTION ADOPTING AN ECONOMIC IMPACT PLAN FOR THE BENEFIT OF
THE PARKING AUTHORITY OF THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE
D/B/A THE DOWNTOWN MOBILITY AUTHORITY AND
RECOMMENDING APPROVAL OF THE SAME TO THE MEMPHIS CITY COUNCIL AND SHELBY
COUNTY COMMISSION**

WHEREAS, MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION (this “Corporation”) is a public, nonprofit corporation existing under Sections 7-53-101 et. seq., Tennessee Code Annotated, as amended (the “Act”); and

WHEREAS, the Parking Authority of the City of Memphis and County of Shelby, Tennessee is a public, nonprofit corporation existing under Sections 7-65-101 et. seq., Tennessee Code Annotated (“DMA”); and

WHEREAS, it is proposed that DMA develop parking garages on the parking lot located at Peabody Place Avenue and Front Street (the “Mobility Center”) currently owned by the City of Memphis (the “City”) and the property on Front Street between Madison Avenue and Monroe Avenue which currently includes the Monroe Street Garage and which will be incorporated into the new Brooks Museum (the “Brooks Museum Garage”); and

WHEREAS, it is proposed that DMA add additional floors to the parking garage owned by it and located at 21 South Second Street (the “First Place Garage”) and renovate the garage at Adams Avenue and Front Street (the “Shoppers Garage”) leased by DMA from the City; and

WHEREAS, it is proposed that the parking lot along Wagner Avenue between Beale Street and Union Avenue owned by the City be redeveloped by the City or DMA as festival parking (the “Wagner Festival Parking”) and that connectors from Riverside Drive and Tom Lee Park to DMA and other parking be developed by the City or DMA along the Bluff (the “Bluff Cut”); and

WHEREAS, DMA proposes to construct the Mobility Center and the Brooks Museum Garage, renovate of the Shoppers Garage, renovate and add additional floors to the First Place Garage, and develop, or otherwise assist with the development, of the Wagner Festival Parking and the Bluff Cut (collectively, the “DMA Projects”); and

WHEREAS, DMA has requested that this Corporation provide assistance to the DMA Projects by adopting the Economic Impact Plan attached hereto as Exhibit A (the “Economic Impact Plan”) and submitting such Economic Impact Plan to the Council of the City of Memphis (the “Council”) and the Board of Commissioners of the County of Shelby, Tennessee (the “Commission”) for approval, as permitted and required by the Act; and

WHEREAS, on April 6, 2021, this Corporation held a public hearing relating to the Economic Impact Plan after publishing notice of such public hearing in The Daily News at least two (2) weeks prior to such hearing, all as required by the Act.

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

Section 1. **ADOPTION OF ECONOMIC IMPACT PLAN.** This Corporation hereby authorizes, approves, and adopts the Economic Impact Plan in accordance with the Act, submits the Economic Impact Plan to the Council and Commission, and recommends that such parties approve the Economic Impact Plan.

Section 2. **AUTHORIZATION AND RATIFICATION OF SUBSEQUENT ACTS.** The directors, officers, agents and employees of this Corporation are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary or desirable to carry out and comply with provisions of these resolutions and the documents referred to herein. All of the acts and doings of the directors, officers, agents and employees of this Corporation which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Adopted this 6th day of April, 2021.

**MEMPHIS CENTER CITY REVENUE FINANCE
CORPORATION**

By: _____
Its: _____

EXHIBIT A
(Economic Impact Plan)

MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION

ECONOMIC IMPACT PLAN

FOR

DOWNTOWN MOBILITY AUTHORITY PARKING PROJECTS

I. Introduction

The Parking Authority of the City of Memphis and County of Memphis, Tennessee, d/b/a Downtown Mobility Authority, a public nonprofit corporation (the “Developer”) proposes to (i) develop parking garages on the parking lot located at Peabody Place Avenue and Front Street (the “Mobility Center”) currently owned by the City of Memphis (the “City”) and the property on Front Street between Madison Avenue and Monroe Avenue which currently includes the Monroe Street Garage and which will be incorporated into the new Brooks Museum (the “Brooks Museum Garage”), (ii) add additional floors to the parking garage owned by it and located at 21 South Second Street (the “First Place Garage”), (iii) renovate the garage at Adams Avenue and Front Street (the “Shoppers Garage”) leased by DMA from the City (iv) develop a parking lot along Wagner Avenue between Beale Street and Union Avenue owned by the City as festival parking (the “Wagner Festival Parking”) and (v) develop connectors from Riverside Drive and Tom Lee Park to DMA owned or managed parking and other parking be developed by the City or DMA along the Bluff (the “Bluff Cut,” and collectively with the Mobility Center, the Brooks Museum Garage, the First Place Garage, the Shoppers Garage, the Wagner Festival Parking, the “DMA Project”).

Memphis Center City Revenue Finance Corporation, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq.* (“CCRFC”), is the fee owner of certain properties located in the Downtown neighborhood in Memphis, Shelby County, Tennessee, and more particularly described on Exhibit A (the “Property”). DMA has requested assistance from CCRFC in connection with the DMA Projects, as more particularly described below.

What follows is an economic impact plan for the development of the DMA Projects (the “Plan”). First, the Plan explains the statutory authority for financial assistance from CCRFC (Section II). Second, the Plan describes the project, the area subject to this Plan, and the requested financial assistance from CCRFC in the form of tax increment financing (Sections III, IV, and V). Third, the Plan discusses the expected benefits to the City and Shelby County, Tennessee (the “County”) from the project (Section VI). Finally, the Plan explains the mechanics of the requested tax increment financing (Sections VII).

II. Authority for Economic Impact Plan

CCRFC is an industrial development corporation authorized under Tenn. Code Ann. § 7-53-101 *et. seq.* (an “IDB”). An IDB is authorized under Tenn. Code Ann. § 7-53-312 to prepare and submit to cities and counties an economic impact plan with respect to an area that includes a project within the meaning of Tenn. Code Ann. § 7-53-101 and such other properties that the IDB determines will be directly improved

or benefited due to the undertaking of such project. Tennessee Code Annotated § 7-53-312 also authorizes cities and counties to apply and pledge new incremental tax revenues, that arise from the area subject to the economic impact plan, to the IDB to promote economic development, to pay the cost of projects or to pay debt service on bonds, notes or other obligations issued by the IDB to pay the costs of projects.

III. The Project

The DMA Project is a scattered site development of parking garages and other mobility related projects in the Downtown neighborhood in Memphis, Shelby County, Tennessee. The property currently contains improved and unimproved properties. The Developer has proposed to redevelop the property to add parking and other mobility related facilities to the properties. The redevelopment includes the construction of parking and mobility related facilities and related infrastructure improvements including, among other things, the development of a parking garage at the proposed Brooks Museum, renovations and improvements to the First Place and Shoppers Garages, the proposed Wagner Festival Parking, the Bluff Cut and the Mobility Center. In order to make the construction of the DMA Project financially feasible, the Developer has requested that the City and the County approve, as part of this Economic Impact Plan, a plan for tax increment financing through CCRFC pursuant to Title 7, Chapter 53 of Tennessee Code Annotated to provide funds to pay a portion of the costs relating to the implementation of the DMA Project. The DMA Project is an eligible project within the meaning of Tenn. Code Ann. § 7-53-101(13).

IV. Boundaries of Plan Area

The DMA Project is located in Downtown Memphis. The area that will be subject to this Plan, and to the tax increment financing provisions described below, (the “Plan Area”) consists of the existing tax parcels listed on Exhibit B. The Plan Area is hereby declared to be subject to this Plan.

V. Financial Assistance to DMA Project

CCRFC will provide financial assistance to the DMA Project by applying the proceeds of the tax increment financing described herein to pay or reimburse the Developer for a portion of certain costs that will be incurred in connection with the development or redevelopment of the DMA Project. The costs to be paid or reimbursed from proceeds of the tax increment financing will be limited to items within Developer’s purposes and powers as described in Tenn. Code Ann. §§ 7-65-101 et seq.

CCRFC will pay and/or reimburse the Developer or entities formed for the purpose of developing all or a portion of the DMA Project, from available incremental tax revenues received by CCRFC or the proceeds of any tax increment financing, for all or a portion of the cost of such improvements upon receipt of adequate documentation of such costs. CCRFC and the Developer, or entities formed to develop all or a portion of the DMA Project, will enter into one or more loan agreements or development agreements, specifying the scope and the cost of the improvements and fees to be reimbursed, which cost shall not exceed \$40,000,000 (exclusive of interest costs). The maximum amount that will be made available by CCRFC for such financial assistance shall be the lesser of \$40,000,000 (less financing costs as provided herein) or the costs actually incurred (exclusive of interest costs).

VI. Expected Benefits to City and County

Implementation of the DMA Project will greatly benefit the City and County as it will improve the infrastructure necessary to bring density to the core City. The Downtown neighborhood one of the fastest growing area of the city and there is high demand for additional parking and mobility related facilities. The DMA Project will ensure the continued growth and redevelopment of Downtown Memphis.

The tax increment revenues resulting from the Plan Area (the “TIF Revenues”), except as described below, will be applied during the period described herein to the debt service on debt incurred by CCRFC to pay the costs described herein with respect to the DMA Project. CCRFC and DMA acknowledge that the Plan Area is subject to one or more Payment in Lieu of Tax leases (“PILOT Leases”) entered between CCRFC and certain lessees pursuant to Tenn. Code Ann. 7-53-311. The parties agree that payments made under such any PILOT Lease shall not be included in TIF Revenues and that no TIF Revenues will be received from any property included in the Plan Area unless the PILOT Lease to which such property is subject has terminated.

VII. Distribution of Property Taxes and Tax Increment Financing

a. Distribution of Taxes. Subject to the provisions of this Plan, property taxes imposed on real property and personal property located within the Plan Area will be allocated and distributed as provided in this subsection. The taxes assessed by the City and County on such property within the Plan Area will be divided and distributed as follows in accordance with the Tax Increment Act:

i. First, an amount equal to (x) the portion of the property taxes payable with respect to the Plan Area for the year prior to the date of approval of this Plan (other than any portion of such taxes that that constitutes Dedicated Taxes, as defined below) (the “Base Taxes”) plus (y) that portion of property taxes levied upon property within the Plan Area for the payment of debt service of the City and the County (the “Dedicated Taxes”) and together with the Base Taxes, the “Total Base Tax Amount”) will, pursuant to Tenn. Code Ann. § 9-23-103, be allocated to and, as collected, paid to the City and the County as all other taxes levied by the City and the County on all other properties; provided, however, that in any year in which the taxes on the property within the Plan Area are less than the Total Base Tax Amount, only the taxes actually imposed will be allocated and paid to the City and the County.

ii. Second, two percent (2%) of the excess County property taxes over the portion of the Base Taxes attributable to the County property taxes shall be payable to the Shelby County Trustee to administer distribution of the Shelby County Tax Increment Incentive.

iii. Third, seventy-five percent (75%) of the excess of property taxes over the Total Base Tax Amount less the two percent (2%) fee due to the Shelby County Trustee as set forth above (the “TIF Revenues”) will be allocated and, as collected, paid into a separate fund of CCRFC created to hold such payments until the tax proceeds in the fund are to be

applied to pay the Costs as described above or to pay debt service on debt incurred by CCRFC to finance such cost described herein with respect to the DMA Projects.

iv. Fourth, five percent (5%) of the of the excess of property taxes over the Total Base Tax Amount less the two percent (2%) fee due to the Shelby County Trustee as set forth above, shall be payable to CCRFC, as an administrative fee for administering the Tax Increment Incentive.

v. Fifth, the remaining of the excess of property taxes over the Total Base Tax Amount less than two percent (2%) fee due to the City Treasurer as set forth above will be allocated to and, as collected, paid to the City and the City Treasurer as all other taxes levied by the City and the County on all other properties.

As permitted by the Tenn. Code Ann. § 9-23-103, CCRFC hereby elects to group the parcels within the Plan Area into a separate group for purposes of calculating and allocating the TIF Revenues for each property shown on Exhibit A hereto.

TIF Revenues relating to each tax year commencing January 1, 2021 shall be allocated to CCRFC, to the extent received by the City or County, within ninety (90) days after the respective dates that taxes would be delinquent to the City and County for such tax year. TIF Revenues received by the City and County as delinquent taxes shall be allocated by the City and the County within thirty (30) days of receipt. TIF Revenues shall be allocated to CCRFC for a period not in excess of twenty (20) years, but such allocations shall cease when there are not eligible costs, including debt service, to be paid from the TIF Revenues and shall cease as to each property included in the Plan Area on the dates as show with respect to such parcel on Exhibit A hereto.

Notwithstanding anything to the contrary herein, the cost of improvements funded with TIF Revenues, or debt funded therewith, shall include only those costs incurred prior to December 31, 2026.

In order to pay for eligible costs of the DMA Project, CCRFC intends to use the incremental tax revenues that it would receive as a result of the adoption of the Economic Impact Plan to pay such cost directly, to reimburse DMA for such cost and to pay debt service on obligations incurred to finance such costs. CCRFC will borrow not to exceed \$40,000,000 through the issuance and sale of notes, bonds or other obligations of CCRFC. Such amount will be applied to pay costs relating to the DMA Project after payment of costs incurred in connection with the issuance of the tax increment financing. CCRFC shall pledge all or any portion of the TIF Revenues allocated to CCRFC pursuant to this Economic Impact Plan to the payment of such notes, bonds or other obligations. In no event will the obligations issued by CCRFC be considered a debt or obligation of the City and County in any manner whatsoever, and the source of the funds to satisfy CCRFC's payment obligations thereunder shall be limited solely to the TIF Revenues and certain rents payable to CCRFC and such obligations shall otherwise be non-recourse to CCRFC. The proceeds of the notes, bonds or obligations shall be used to pay the costs of the DMA Project described above together with expenses of CCRFC in connection with the DMA Project and the tax increment financing and capitalized interest on the notes, bonds or other obligations for a maximum period of twenty (20) years.

CCRFC, the City and the County, by the adoption of this Plan, find that the use of the TIF Revenues as described herein, is in furtherance of promoting economic development in the City and County and that costs to be financed as described herein are costs of the DMA Project.

EXHIBIT A
PLAN AREA

The property located in Shelby County, Tennessee and subject to the following PILOT leases:

PILOT No	PILOT Name	Lease Termination Date	Tax Parcels
105	Hotel Peabody, LP	December 31, 2037	002-051-A00001 002-051-A00002 002-051-A00003 002-051-A00004
157	Jefferson River Estates, LP	January 13, 2040	069-077-00042
142	Forum Residential Partners	May 17, 2039	002-061-00005 002-061-00006C 002-061-00024 005-001-00020C 005-002-00001C
89A	Autozone, Inc.	September 1, 2033	002-044-00004C
89D	Peabody Office Tower(Servicemaster)	August 18, 2034	002-050-A00001
89B	Peabody Gold (Pembroke Apt)	August 18, 2034	002-043-00001 002-043-00002 002-043-00003 002-043-00012 002-043-00013
137	Peabody Place Hotel Company LP (Hampton Inn)	December 31, 2038	002-051-00019 002-051-00029
91	Gayoso House LP	December 31, 2033	002-043-00004 002-043-00010
39	Parkway Properties LP (Morgan Keegan Tower)	December 27, 2024	002-006-00024
118	HMH Properties, Inc. (Sheraton)	September 2, 2023	001-029-00004 001-029-00005 001-030-00001L 001-030-00001Z

			001-030-00002 001-003-00003
142	Forum Residential Partners	May 17, 2039	002-061-00005 002-061-00006C 002-061-00024 005-001-00020C 005-002-00001C
130	LB Memphis Brownstone LLC (Crown Plaza)	August 31, 2031	001-034-00003
89C	Peabody Place HAV	August 18, 2034	002-043-00006C
114	Island-Harbor Corp.	November 1, 2021	069-077-00013C 001-001-00061 001-001-00091 001-001-00092 001-001-00093
124	Nine South Second Properties, LLC	February 17, 2034	002-058-00014C
117	Gibson Guitar Corp.	February 2, 2023	002-128-00026C
45	Moody National Memphis RI S, LLC	December 30, 2024	002-057-00009
44	Sanderlin Place / Brinkley Plaza II (50/50)	December 31, 2024	002-038-00008C 002-038-00011C
25	Cotton Exchange Building, A Limited Partnership	January 1, 2024	002-042-00029
120	South Bluffs Expansion	April 29, 2024	002-084-D00008 002-084-D00009 002-084-D00010 002-084-D00011
27	Three Sisters, Ltd.	December 30, 2025	002-039-00014 002-039-00015 002-039-00016
103	Island Properties Associates	October 27, 2028	001-001-00055

EXHIBIT B

PARCEL IDENTIFICATION NUMBERS OF PARCELS IN PLAN AREA

Tax Parcel Numbers

001-001-00055
001-001-00061
001-001-00091
001-001-00092
001-001-00093
001-001-00094
001-001-00095
001-003-00003
001-029-00004
001-029-00005
001-030-00001L
001-030-00001Z
001-030-00002
001-034-00003
002-006-00024
002-038-00008C
002-038-00011C
002-039-00014
002-039-00015
002-039-00016
002-042-00029
002-043-00001
002-043-00002
002-043-00003
002-043-00004
002-043-00006C
002-043-00010
002-043-00012
002-043-00013
002-044-00004C
002-050-A00001
002-050-A00002
002-051-00019
002-051-00029
002-051-A00001
002-051-A00002
002-051-A00003
002-051-A00004

002-057-00009
002-058-00014C
002-061-00005
002-061-00005
002-061-00006C
002-061-00006C
002-061-00024
002-061-00024
002-084-D00008
002-084-D00009
002-084-D00010
002-084-D00011
002-128-00026C
005-001-00020C
005-001-00020C
005-002-00001C
005-002-00001C
069-077-00013C
069-077-00042