

**MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION**

**AUTHORIZING RESOLUTION**

**RESOLUTION AUTHORIZING AND APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS, AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE ISSUANCE, SALE AND DELIVERY BY THE MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION OF ITS ECONOMIC DEVELOPMENT REVENUE BOND IN THE PRINCIPAL AMOUNT NOT TO EXCEED THIRTY MILLION DOLLARS (\$30,000,000) IN CONNECTION WITH APPROVING THE REQUEST FROM THE CITY OF MEMPHIS, TENNESSEE, OF THE MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION TO ISSUE ITS ECONOMIC DEVELOPMENT REVENUE BOND AND TO LOAN THE PROCEEDS THEREOF TO THE CITY OF MEMPHIS, TENNESSEE, FOR THE PURPOSE OF FUNDING A PORTION OF THE PROJECT AND FOR THE OTHER PURPOSES SET FORTH HEREIN; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF A TRUST INDENTURE, A LOAN AGREEMENT, A BOND PURCHASE AGREEMENT AND ALL OTHER NECESSARY AGREEMENTS AND DOCUMENTS WITH RESPECT TO THE FINANCING; AND AUTHORIZING CERTAIN OTHER MATTERS AND ALL NECESSARY ACTIONS WITH RESPECT TO THE FOREGOING.**

**WHEREAS**, the Memphis Center City Revenue Finance Corporation (the “**Issuer**”) is a public nonprofit corporation duly organized and validly existing under and by virtue of the laws of the State of Tennessee and is empowered and authorized pursuant to Tennessee Code Annotated Section 7-53-101 *et seq.*, as amended (the “**IDB Act**”), among other things to: (i) acquire, improve, repair, extend, equip, furnish, and maintain one or more projects undertaken by the City of Memphis, Tennessee (the “**City**”), relating to the construction of certain improvements to public infrastructure, public facilities and public tourism facilities and to promote economic development within the City’s center city area and/or throughout the City; and (ii) borrow money, and issue and sell its revenue bonds which are payable solely from the revenues and receipts from the applicable revenues of the project, or from other sources, pledged as security for the payment of the principal of, and premium, if any, and interest on, any bonds so issued and any agreements made in connection therewith; and

**WHEREAS**, the City has previously issued its bonds and notes and expended other eligible funding to finance the costs for various public works projects within the City to assist with the development of the public infrastructure and the promotion of economic development through making improvements to: (i) public facilities and public tourism facilities located within its central business improvement district and throughout the City; and (ii) and all other items relating to a “public works project” as provided in the Tennessee Code Annotated Section 9-21-105(21) *et seq.*, as amended (the “**City Act**”); and

**WHEREAS**, the City has invested \$200,000,000 in the renovation of the Renasant Convention Center (“**RCC**”); and

**WHEREAS**, the successful operation of the RCC is a critical component of the City’s economic development plans for the City’s downtown, and in driving, enhancing, and stimulating economic development, tourism, employment and business activity within the City; and

**WHEREAS**, it is necessary to have a sufficient block of available, high-quality hotel rooms adjacent to the RCC to ensure the continued success of the RCC and its contribution to the economic development of the City; and

**WHEREAS**, the Sheraton Hotel, located at 250 North Main Street, Memphis, Tennessee 38103, and adjacent to the RCC, has served as the primary convention center hotel for the RCC; and

**WHEREAS**, the Sheraton Hotel is for sale and needs substantial redevelopment, including renovation of guest rooms, updated mechanical systems, additional meeting spaces and ballrooms, and updated lobby, restaurants, retail and related spaces; and

**WHEREAS**, the redevelopment of the Sheraton Hotel into an Upper Upscale Hotel that will provide 600 available, high-quality rooms and meeting space adjacent to the RCC will help to assure the continued success of the RCC and drive, enhance, and stimulate economic development, tourism, employment and business activity within the City; and

**WHEREAS**, under Section 6-54-118, Tennessee Code Annotated (the “**Economic Development Act**,” and together with the IDB Act and the City Act, the “**Act**”), the City may appropriate funds for the purpose of making a contribution to the Issuer for the purpose of economic development; and

**WHEREAS**, the City has requested that the Issuer assist the City with the financing of a portion of the Project (as defined herein) by agreeing to issue its revenue bond in the maximum principal amount not to exceed Thirty Million Dollars (\$30,000,000) (the “**Bond**”) for the purposes of: (a) financing a portion of the costs of the Project, including without limitation the purchase of the Sheraton Hotel, and (b) paying certain expenses incurred in connection with the issuance, sale and delivery of the Bond, all as permitted under the Act. The Bond shall be designated as the “Memphis Center City Revenue Finance Corporation Economic Development Revenue Bond, Series 2024A (Convention Center Hotel Project)” or such other designations as determined by the Issuer and the City pertaining to the Bond, and shall be issued as a governmental bond under Section 103 of the Internal Revenue Code of 1986, as amended, together with the regulations promulgated pursuant thereto (the “**Code**”), or as a qualified 501(c)(3) bond under Sections 103 and 145 of the Code; and

**WHEREAS**, the Issuer held a public hearing with respect to the issuance and delivery of the Bond, as required under Section 147(f) of the Code, together with the regulations promulgated pursuant thereto, on Tuesday, October 8, 2024, at 9:15 a.m. Central Time, or such later date and time as selected by the Issuer, at which time persons were given an opportunity to express their

views regarding the proposed issuance and delivery of the Bond and the financing of a portion of the Project with the proceeds thereof; and

**WHEREAS**, the City desires for the Issuer to issue the Bond and loan the proceeds thereof to the City pursuant to a Loan Agreement (as defined herein), and the City will utilize the proceeds of the Bond for the purposes of: (i) financing a portion of the costs of the acquisition, construction, renovation and equipping of the Sheraton Hotel and certain economic development projects authorized pursuant to the Act, including legal, fiscal, architectural, administrative and engineering costs incident thereto and reimbursement of the City for funds previously expended towards such economic development projects (collectively the “**Project**”); (ii) to the extent permitted, funding debt service reserve accounts and other reserve funds, if necessary; (iii) reimbursing certain eligible expenditures advanced by the City for the Project from the proceeds of the Bond, if any, all as permitted under the Act; and (iv) paying certain costs incurred in connection with the issuance, sale and delivery of the Bond; and

**WHEREAS**, the Issuer shall loan the proceeds from the Bond to the City pursuant to a Loan Agreement (as defined herein) for purposes set forth therein to be executed by the Issuer and the City, to further evidence the obligation of the City to contribute to the Issuer non-property tax revenues of the City sufficient to provide for payments under the Loan Agreement and to pay the principal of, premium due, if any, and interest payable on the Bond; and

**WHEREAS**, the Issuer hereby determines that the issuance of the Bond, and the loan of the proceeds thereof to the City for the herein stated purposes, will be in accordance with the provisions, and will further the purposes and the policies, of the Act; and

**WHEREAS**, in order to obtain funds to finance and carry out the foregoing, the Issuer will issue the Bond pursuant to the terms of a Trust Indenture to be dated as of October 1, 2024, or such later date as determined by the City and the Issuer (the “**Indenture**”), by and between the Issuer and Regions Bank, an Alabama banking corporation, serving as the trustee for the Bond (the “**Trustee**”); and

**WHEREAS**, contemporaneously with the execution of the Bond, the Issuer and the City will enter into a Loan Agreement (the “**Loan Agreement**”), to be dated as of October 1, 2024, or such later date as determined by the Issuer and the City, specifying the terms and conditions pursuant to which the Issuer will loan the proceeds of the sale of the Bond to the City for the purposes set forth therein, and the City will agree to contribute non-property tax revenues of the City sufficient to provide for payments under the Loan Agreement; and

**WHEREAS**, contemporaneously with the execution of the Bond, the Issuer, the City and Regions Capital Advantage, Inc., a Tennessee corporation (the “**Purchaser**”), will enter into a Bond Purchase Agreement (the “**Bond Purchase Agreement**”), to be dated the date of issuance of the Bond, specifying the terms and conditions pursuant to which the Purchaser will purchase the Bond from the Issuer; and

**WHEREAS**, the entry of the Issuer into the Indenture, the Loan Agreement and the Bond Purchase Agreement for the purposes described herein and therein complies with the provisions of the Debt Management Policy of the Issuer; and

**WHEREAS**, the Bond shall be a limited obligation of the Issuer payable solely from the (a) amounts payable under the Loan Agreement (except for Unassigned Rights) and (b) moneys on deposit in funds or accounts held under the Indenture as and to the extent provided in the Indenture, all of which have been assigned and pledged thereunder for the payment of the Bond and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bond, except as may be otherwise expressly authorized or as set forth and more fully described in the Indenture. The Issuer has no taxing power; and

**WHEREAS**, the Bond and the interest thereon do not now and shall never constitute a charge against the general credit or taxing power of the Issuer, the State of Tennessee (the “**State**”) or any political subdivision thereof including, without limitation, the City and the County of Shelby Tennessee (the “**County**”), and the Bond and the interest thereon do not now and shall never constitute a debt of the State or any political subdivision thereof, including, without limitation, the City and the County, within the meaning of any constitutional or statutory provision whatsoever. Neither the State nor any political subdivision thereof including, without limitation, the City and the County, shall in any event be liable for the payment of the principal of, premium, if any, or interest on the Bond or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever that may be undertaken by the Issuer (except to the extent the City is obligated under the Loan Agreement). No breach by the Issuer of any such pledge, mortgage, obligation or agreement shall impose any liability, pecuniary or otherwise, upon the State or any political subdivision thereof including, without limitation, the City (except to the extent the City is obligated under the Loan Agreement) and the County, or any charge upon their general credit or taxing power; and

**WHEREAS**, pursuant to the Economic Development Act, the City may appropriate funds for the purpose of making certain contributions to the Issuer for the purposes set forth therein and in order to provide for payments and prepayments under the Loan Agreement, the City will covenant and agree to appropriate and pay to the Trustee a portion of legally available revenues of the City, which such revenues shall not include ad valorem property tax revenues, in accordance with the Economic Development Act; and

**WHEREAS**, the Issuer hereby evidences and duly approves the City’s declaration of its present intent that the Issuer issue the Bond and evidence the present intent of the City that all or a portion of the Bond proceeds be applied to reimburse the City for certain expenditures made for capital improvements and other permitted preliminary expenditures intended to be financed by the Bond proceeds and originally paid from other funds on or after the date of this Authorizing Resolution or, to the extent permitted by the Code, prior to the date of this Authorizing Resolution; and

**WHEREAS**, at the open and regular meeting of the Issuer held on October 8, 2024, the forms of the following documents were submitted to the Issuer all setting forth certain terms and conditions pertaining to the issuance, sale and delivery of the Bond, which the Issuer proposes to execute and deliver to carry out the transactions described above, copies of the forms of such

documents shall be filed with the records of the Issuer, such documents collectively defined as the “**Bond Documents**”:

- (1) The proposed form of the Indenture;
- (2) The proposed form of the Loan Agreement;
- (3) The proposed form of the Bond;
- (4) The proposed form of the Bond Purchase Agreement; and

**WHEREAS**, the Issuer hereby finds that the execution and delivery of the above-listed Bond Documents and that the execution, issuance and delivery of the Bond will contribute to the economic development activities of the Issuer in furtherance of the Act.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION AS FOLLOWS:**

**Section 1. Findings with Respect to the Bond.** The Issuer hereby finds and determines that the issuance of the Bond to finance of the Project, as herein described, will: (i) contribute to the economic development activities of the City and County in furtherance of the Act; (ii) assist the City with furthering the Issuer’s statutory and public purpose under the Act in connection with (a) fostering economic development in the City and (b) promoting of the health, welfare and safety of the citizens of the State of Tennessee.

**Section 2. Authorization of the Issuance and Delivery of the Bond.** Under and pursuant to the provisions of the Act, the Issuer hereby finds it to be most advantageous to issue and deliver the Bond, through a negotiated sale, upon the terms and conditions set forth in the Bond Purchase Agreement, and further hereby authorizes the execution, issuance, sale, and delivery of the Bond to the Purchaser in consideration of payment therefor in accordance with the provisions of the Bond Purchase Agreement, the proceeds of the sale thereof to be used for the purposes specified in the Indenture.

The Issuer has covenanted to the Trustee to timely pay solely from the sources provided in the Indenture and in the Loan Agreement, the debt service payments on every Bond issued under the Indenture at the place, on the dates, and in the manner provided therein and in said Bond, according to the true intent and meaning thereof. The Issuer hereby appoints and designates the Office of the Trustee as the place of payment for the Bond, and the Trustee as the paying agent for the Bond, such designation and appointment therewith shall remain in full-force and effect until written notice of change is filed as provided in the Indenture.

**Section 3. Approval of the Trust Indenture.** The form, content, and provisions of the Indenture to be executed and delivered by and between the Issuer and the Trustee as presented in this meeting of the Board of Directors of the Issuer, are in all particulars approved, and the President and CEO, the Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, or any of them, or any other officer of the Issuer are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Indenture in the name, and on behalf, of the Issuer. The Indenture is to be in substantially the form, as presented in this meeting of the Board of Directors

of the Issuer, or with such insertions and revisions therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all such insertions and revisions. The officers of the Issuer are hereby authorized, empowered, and directed, from and after the execution and delivery of the Indenture to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and to comply with, the provisions of said Indenture, as executed and delivered.

**Section 4. Approval of the Loan Agreement.** The form, content, and provisions of the Loan Agreement to be executed and delivered by and between the Issuer and the City, as presented in this meeting of the Board of Directors of the Issuer, are in all particulars approved, and the President and CEO, the Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, or any of them, or any other officer of the Issuer are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Loan Agreement in the name, and on behalf, of the Issuer. The Loan Agreement is to be in substantially the form, as presented in this meeting of the Board of Directors of the Issuer, or with such insertions and revisions therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all such insertions and revisions. The officers of the Issuer are hereby authorized, empowered, and directed, from and after the execution and delivery of the Loan Agreement, to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and to comply with, the provisions of said Loan Agreement, as executed and delivered.

**Section 5. Approval of the Bond.** The form, content, and provisions of the Bond, as presented in this meeting of the Board of Directors of the Issuer, subject to appropriate insertions and revisions, are in all particulars hereby approved, and the President and CEO, the Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, or any of them, or any other officer of the Issuer are hereby authorized, empowered, and directed to execute, attest, and deliver to the Purchaser, the Bond in consideration of payment therefor in the name and on behalf of the Issuer, such Bond to be in substantially the form, as presented in this meeting of the Board of Directors of the Issuer, or with such insertions and revisions therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all such insertions and revisions and, when the Bond shall be executed, attested, and delivered in accordance with the terms and conditions set forth in the Bond Purchase Agreement and the Indenture; provided, however, that the principal amount of the Bond shall not exceed Thirty Million Dollars (\$30,000,000), the interest rates to be borne by the Bond shall not exceed the maximum rate of interest permitted by law, and the final maturity of the Bond shall not extend beyond ten (10) years from their date of issuance.

**Section 6. Approval of the Bond Purchase Agreement; Negotiated Sale of Bond.** The form, content, and provisions of the Bond Purchase Agreement to be executed and delivered by and among the Issuer, the City and the Purchaser, as presented in this meeting of the Board of Directors of the Issuer, are in all particulars approved, and the President and CEO, the Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, or any of them, or any other officer of the Issuer are hereby authorized, empowered, and directed to execute, acknowledge, and deliver said Bond Purchase Agreement in the name, and on behalf, of the Issuer. The Bond Purchase Agreement is to be in substantially the form, as presented in this meeting of the Board of Directors of the Issuer, or with such insertions and revisions therein as shall be approved by the officers of

the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all such insertions and revisions. The officers of the Issuer are hereby authorized, empowered, and directed, from and after the execution and delivery of the Bond Purchase Agreement to do all acts and things, and execute all documents, as may be necessary or convenient to carry out, and to comply with, the provisions of said Bond Purchase Agreement, as executed and delivered.

Inasmuch as this purchase and sale represents a negotiated arm's length commercial transaction, the Issuer acknowledges and agrees that: (i) the transaction contemplated by the Bond Purchase Agreement is an arm's length, commercial transaction by and among the Issuer, the City and the Purchaser in which the Purchaser is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or the City; (ii) the Purchaser has not assumed any advisory or fiduciary responsibility to the Issuer or the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the Issuer or the City on other matters); (iii) the Purchaser is acting solely in its capacity as Purchaser for its own account; (iv) the only obligations the Purchaser has to the Issuer or the City with respect to the transaction contemplated hereby are expressly set forth in the Bond Purchase Agreement; and (v) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent they have deemed appropriate.

**Section 7. Issuer Authorizations; Miscellaneous Acts.** The officers of the Issuer as set forth above are hereby authorized, empowered, and directed to deliver and file the Bond Documents, including Internal Revenue Service Form 8038, as applicable, financing statements to evidence security interests created under the Indenture, a tax agreement relating to the exclusion from gross income of interest with respect to the Bond, and an informational statement to be filed with the State of Tennessee; and also do any and all such acts and things, and to execute, acknowledge, deliver, and, if applicable, file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments, and certifications, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may, in their discretion, be necessary or desirable to implement or comply with the intent of this Authorizing Resolution, or any of the documents herein authorized and approved, for the authorization, issuance, sale and delivery by the Issuer of the Bond.

**Section 8. Limited Obligations and Liability.** The Bond shall be a limited obligation of the Issuer payable solely from the (a) amounts payable under the Loan Agreement (except for Unassigned Rights) and (b) moneys on deposit in funds or accounts held under the Indenture (as defined herein) as and to the extent provided in the Indenture, all of which have been assigned and pledged thereunder for the payment of the Bond and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bond, except as may be otherwise expressly authorized or as set forth and more fully described in the Indenture. The Issuer has no taxing power.

The Bond and the interest thereon do not now and shall never constitute a charge against the general credit or taxing power of the Issuer, the State or any political subdivision thereof including, without limitation, the City and the County, and the Bond and the interest thereon do not now and shall never constitute a debt of the State or any political subdivision thereof, including, without limitation, the City and the County, within the meaning of any constitutional or statutory

provision whatsoever. Neither the State nor any political subdivision thereof including, without limitation, the City and the County, shall in any event be liable for the payment of the principal of, premium, if any, or interest on the Bond or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever that may be undertaken by the Issuer (except to the extent the City is obligated under the Loan Agreement). No breach by the Issuer of any such pledge, mortgage, obligation or agreement shall impose any liability, pecuniary or otherwise, upon the State or any political subdivision thereof including, without limitation, the City (except to the extent the City is obligated under the Loan Agreement) and the County, or any charge upon their general credit or taxing power.

No recourse under, or upon, any statement, obligation, covenant, agreement, or certification, contained in any of the foregoing documents, including, without limitation, the Bond and the Indenture, or in any other document or certification whatsoever, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding or by virtue of any constitution or statute or otherwise, or under any circumstances, under or independent of the foregoing documents, including, without limitation the Bond and the Indenture; or any other document or certification, whatsoever, shall be had against any incorporator, member, director, or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for, or to, the Issuer, or any receiver thereof, or from, or to, the owner of the Bond, for any sum that may be due and unpaid by the Issuer upon the Bond or the interest payable thereon. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his or her part or otherwise for, directly or indirectly, the payment for, or to, the Issuer or any receiver thereof, or for, or to, the owner of the Bond, of the principal of, or the premium, if any, or interest on, the Bond, shall be deemed to have been waived and released as a condition of, and consideration for, the execution of the aforesaid documents and the issuance of the Bond.

**Section 9. Compliance with Open Meeting Requirements.** The Issuer hereby finds and determines that all formal actions of the Issuer concerning and relating to the adoption of this Authorizing Resolution were lawfully authorized and duly adopted in an open and regular meeting of the Issuer, and that all deliberations of the Issuer that resulted in those formal actions were in meetings open to the public pursuant to the requirements of the Tennessee Code Annotated Section 8-44-101 *et seq* of, as amended, and set forth in the IDB Act.

**Section 10. Declaration of Official Intent.** The Issuer declares its official intent pursuant to Treas. Reg. § 1.150-2 to finance all or a portion of the Project and to reimburse the City for any expenditures made towards the Project and other permitted preliminary expenditures originally paid from other funds of the City on or after the date of this Authorizing Resolution or, to the extent permitted by the Code, prior to the date of this Authorizing Resolution, including, without limitation, such capital expenditures made no earlier than sixty (60) days prior to the date of adoption of this Authorizing Resolution and such other preliminary expenditures otherwise permitted by the Code and the regulations promulgated pursuant thereto, including, without limitation, Treas. Reg. § 1.150-2.



**Section 11. Co-Bond Counsel.** The Issuer hereby approves Bass Berry & Sims PLC, Memphis, Tennessee, and Carpenter Law, PLLC, Memphis, Tennessee, as Co-Bond Counsel in connection with the issuance and delivery of the Bond.

**Section 12. Captions.** The captions or headings in this Authorizing Resolution are for convenience only and shall in no way define, limit, or describe the scope or intent of any provision hereof.

**Section 13. Partial Invalidity.** If any one or more of the provisions of this Authorizing Resolution shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, but this Authorizing Resolution shall be construed the same as if such invalid, illegal, or unenforceable provision had never been contained herein, or therein, as the case may be.

**Section 14. Conflicting Resolutions Repealed.** All resolutions or parts thereof in conflict herewith, are, to the extent of such conflict, hereby repealed, and this Authorizing Resolution shall take effect from and after its adoption.

**Section 15. Effective Date.** This Authorizing Resolution shall become effective upon its adoption by the Board of Directors of the Issuer.

*[Signatures on the Following Page]*

**IN WITNESS WHEREOF**, the parties hereto have entered into this Authorizing Resolution by causing their duly authorized officers to affix their signatures hereto as of the 8<sup>th</sup> day of October 2024.

**MEMPHIS CENTER CITY REVENUE  
FINANCE CORPORATION**

By: \_\_\_\_\_  
**Chandell Ryan**  
**President and CEO**

**ATTEST:**

\_\_\_\_\_  
**Assistant Secretary**