



**MINUTES OF THE
MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION
114 North Main Street
Memphis, TN 38103**

Tuesday, October 11, 2022

Board Members Present: Eric Mathews, Jeri Moskowitz, Sean Norris, Glenn Floyd, Brandy Johnson-Ward, Patrick Hillard, Dana Pointer, and Jim Crone

Board Members Not Present:

DMC Staff Present: Paul Young, Brett Roler, Christine Taylor, Penelope Huston, Penelope Springer, Ave Lueders, Sara Barrera, Lauren Bermudez, Lawrence Green, Tori Haliburton, and Sam Caldwell.

Guests: James McLaren (Board Counsel), James Raved, David Bradford, Stephanie Wade, James Stokes, Laura Hamblen, Doug McGowen, Kate Good, Jacob White, Jayme Stokes, Mike Humes, Rob Tanenbaum, Don Cambell, Matt DiCello, Sheryl Weatherford, Michael Shlazar, Stephen MacLeod (Memphis Business Journal), Corinne Kennedy (Commercial Appeal), and Neil Strebbig (Daily Memphian)

Chairman Eric Mathews determined that a quorum was present, and the meeting was called to order at 9:01 A.M. Christine Taylor called roll for board members. After board quorum was confirmed Chairman Eric Mathews gave a brief overview of meeting protocol. Chairman Eric Mathews called for approval of the minutes from the September 13, 2022, CCRFC board meetings. Jim Crone motioned to approve the minutes as presented, Dana Pointer seconded the motion, after roll call, the motion passed unanimously.

Agenda item III: Financial Update

Penelope Springer presented the CCRFC Financial update.

Agenda item IV: 785 Union Avenue (The Vic on Union) PILOT Request

Abe Lueders presented the 12-year PILOT request for a multifamily project with approximately 286 apartment units and a +320-space parking garage. The subject property (2.55 acres) is located on the south side of Union Avenue, directly across from Health Sciences Park in the heart of the Medical District. The applicant proposes demolishing the existing building to construct a new apartment building with 287 apartment units, 10,000 sq. ft. of amenity space in the building, outdoor amenities, and a parking structure with approximately 327 spaces. New construction will result in total rentable area of around 136,326 sq. ft. and significant amenities are planned to include a pool, a fitness center, a coffee bar, study space, work pods, club and game room, mail/package center, and a pet spa. The applicant intends to close on financing and acquire the property in December 2022.

Construction will likely begin immediately following closing of a construction loan in May 2023. Construction is expected to take approximately 24-36 months to complete. After board questions and discussion, Sean Norris made a motion to approve the request as presented, Dana Pointer seconded the motion, after roll call, the motion passed unanimously.

Agenda item V: 250 North Main PILOT & Surcharge Request

Paul Young kicked off the presentation by providing a brief overview of the project. Project representative, Rob Tanenbaum (Starwood Capital) made a few comments and provided an overview of project. The applicant is requesting a 30-year PILOT and 5% Tourism Surcharge for renovation of the existing Sheraton Hotel and new construction of a 300-key hotel expansion. The applicant is considering a renovation of the existing hotel and potential construction of 300 additional rooms with a tower expansion. The potential tower expansion would likely occur on Tax Parcel #001029 00003 (0 N. Second Street), which is currently owned by the City of Memphis. The applicant's goal is to reinvigorate the Sheraton Memphis to be the "living room" of the Convention Center District with social gathering spaces and amenities. The applicant plans to enter into a parking agreement with the adjacent Renasant Convention Center for approximately 230 parking spaces for a period of 10 years. Depending on future market factors and economic considerations, renovation could begin in Q1 2023 and be complete in 18 months. The 300-key hotel expansion could begin as early as 2024 and be complete within 20-22 months after commencement. Board counsel, James McLaren explained the 2 different requests, the 30-Year PILOT and the TDZ surcharge. After board questions and discussion regarding PILOT length and expiration and revenue from surcharge. City attorney, Jennifer Sink answered questions regarding settlement agreement and commented that the City supports approval of the requests. Sean Norris made a motion to approve the PILOT request as presented, Jeri Moskovitz seconded the motion, after roll call, the motion passed unanimously. Jim Crone made a motion to approve the TDZ 5% Surcharge request as presented, Sean Norris seconded the motion, after roll call, the motion passed unanimously.

Agenda item VI: Amendment to Bond Resolution for One Beale

James McLaren presented the Bond Resolution amendment for One Beale. The amendment is a change of structure (Funds Flow) recommended by the City of Memphis. Don Campbell gave a brief overview and explained the change of the structure. After board questions and discussion, Sean Norris made a motion to approve the request as presented, Glenn Floyd seconded the motion, after roll call, the motion passed unanimously.

(NOTE: Board member, Dana Pointer recused herself from the vote)

Agenda item VII: President's Report

Paul Young updated board on the Dream Hotel project, which will be on the CCRFC November agenda. The project will request to extend the term to close and to also apply for the 5% TDZ surcharge. DMC is still in the process of reviewing the project.

Paul Young thanked board members for their patience in the PILOT review meetings. James McLaren answered a PILOT review question on how we define mixed-use and full-service hotels. The PILOT review committee will discuss at next committee meeting.

Seeing no further business, the meeting was adjourned.