

**RESOLUTION OF THE BOARD OF DIRECTORS
OF
MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION
(100 NORTH MAIN SURCHARGE)**

WHEREAS, it is vital to the economic growth and development of the City of Memphis (the “City”) and the County of Shelby that vacant and underutilized property be developed or redeveloped and placed into service;

WHEREAS, the Parking Authority of the City of Memphis and County of Shelby, Tennessee d/b/a Downtown Mobility Authority (“DMA”) owns the property bounded on the north by Adams Avenue, on the east by Second Street, on the south by Jefferson Avenue and on the west by Main Street (the “100 North Main Development Site”), including the 100 North Main building (“100 North Main”);

WHEREAS, DMA, 100 North Main, LLC (the “Developer”), the City and this Corporation entered into Development Agreement dated as of November 1, 2023 (the “Development Agreement”) regarding the redevelopment of the 100 North Main Development Site, including 100 North Main;

WHEREAS, the Developer proposes, itself or through affiliates thereof, to redevelop the 100 North Main Development Site, including 100 North Main, as a mixed use development including residential, office, hotel, retail and parking uses (collectively, the “100 North Main Development”);

WHEREAS, the renovation of the 100 North Main, which is Phase I of the 100 North Main Development, is estimated to cost approximately Two Hundred Eighty Million Dollars (\$280,000,000)

WHEREAS, the development of the 100 North Main Development Site, including 100 North Main, into a mixed use development including residential, office, hotel, retail and parking would remedy blight, create jobs, increase surrounding property values, provide needed housing in the core of the city, and help attract tourist and new citizens to Memphis;

WHEREAS, the Local Tourism Development Zone Business Tax Act, Tenn. Code Ann. §§ 67-4-3001 *et seq.* (“Surcharge Act”) authorizes the City of Memphis to designate as a “Qualified Public Use Facility” a mixed-use development including a full-service hotel with not less than one hundred fifty (150) rooms and including retail, office, apartment, parking or other commercial or residential uses that is located in the portion of Downtown Memphis designated as a tourism development zone (“Downtown TDZ”) pursuant to the Convention Center and Tourism Development Financing Act of 1998, which is codified at Tenn. Code Ann. §§ 7-88-101 *et seq.*;

WHEREAS, the Development Agreement requires that the 100 North Main Development include a full-service hotel with not less than one hundred fifty (150) rooms

as a part of a mixed-use development, including retail, office, apartment, parking, or other commercial or residential uses; and

WHEREAS, the Surcharge Act authorizes the City of Memphis to levy a privilege tax (“Tourism Surcharge”) on the sale of certain goods and services within such Qualified Public Use Facility and other related facilities, and to assign (or cause to be assigned) to this Corporation the revenues from such Tourism Surcharge that are paid, remitted or otherwise transferred to the City or City Treasurer to pay or reimburse costs incurred, or to pay debt service on indebtedness incurred to finance or refinance costs, in connection with the acquisition, construction, renovation, and equipping of such Qualified Public Use Facility and other related facilities;

WHEREAS, it is proposed that this Corporation: (i) make a recommendation to the Memphis City Council that it approve a five percent (5%) 100 North Main Surcharge pursuant to an Ordinance in substantially the form attached hereto as Exhibit A, (ii) ratify the execution and delivery by this Corporation of the Development Agreement, and (iii) otherwise provide as further needed with respect to the foregoing.

NOW, THEREFORE, BE IT RESOLVED by this Board of Directors of Memphis Center City Revenue Finance Corporation as follows:

1. The 100 North Main Development, including the redevelopment of 100 North Main, is hereby found to be in furtherance of the public purposes of this Corporation, including without limitation those set forth in Tenn. Code Ann. § 7-53-305, to develop trade and commerce in and adjacent to the City of Memphis and Shelby County and to contribute to the general welfare and alleviate conditions of unemployment.

2. The 100 North Main Surcharge, the use of the 100 North Main Surcharge Revenues to pay, reimburse or otherwise finance the costs of the redevelopment of 100 North Main, and the designation of the 100 North Main building as a Qualified Public Use Facility pursuant to the Surcharge Act are hereby approved by this Corporation and recommended to the Memphis City Council for approval.

3. The execution and delivery of the Development Agreement by this Corporation is hereby authorized, ratified and approved.

4. Each of the officers of this Corporation be, and hereby is, authorized and directed to do any and all other acts, including without limitation, the execution and delivery of any of the documents necessary and desirable to make effective this Resolution, and the execution, delivery and performance thereof by such officer or officers of this Corporation shall be deemed to be conclusive evidence of the approval by this Corporation of the terms and conditions and appropriateness thereof.

Adopted this 13th day of February 2024.

MEMPHIS CENTER CITY REVENUE
FINANCE CORPORATION

By: _____

Title: _____

EXHIBIT A

Surcharge Ordinance

ORDINANCE NO. _____

ORDINANCE FOR DESIGNATION OF QUALIFIED PUBLIC USE FACILITY, CREATION OF THE 100 NORTH MAIN TOURISM DEVELOPMENT ZONE TOURISM SURCHARGE AND OTHERWISE PROVIDING WITH RESPECT TO THE FOREGOING

WHEREAS, it is vital to the economic growth and development of the City of Memphis (the “City”) that vacant and underutilized property be developed or redeveloped and placed into service;

WHEREAS, the Parking Authority of the City of Memphis and County of Shelby, Tennessee d/b/a Downtown Mobility Authority (“DMA”) owns the property bounded on the north by Adams Avenue, on the east by Second Street, on the south by Jefferson Avenue and on the west by Main Street (the “100 North Main Development Site”), including the 100 North Main building (“100 North Main”);

WHEREAS, DMA, 100 North Main, LLC (the “Developer”), the City and the Memphis Center City Revenue Finance Corporation (“CCRFC”) entered into Development Agreement dated as of November 1, 2023 (the “Development Agreement”) regarding the redevelopment of the 100 North Main Development Site, including 100 North Main;

WHEREAS, the Developer proposes, itself or through affiliates thereof, to redevelop the 100 North Main Development Site, including 100 North Main, as a mixed use development including residential, office, hotel, retail and parking uses, for a total estimated project cost of approximately Two Hundred Eighty Million Dollars (\$280,000,000) (collectively, the “100 North Main Development”);

WHEREAS, the development of the 100 North Main Development Site, including 100 North Main, into a mixed use development including residential, office, hotel, retail and parking, would remedy blight, create jobs, increase surrounding property values, provide needed housing in the core of the city, and help attract tourist and new citizens to Memphis;

WHEREAS, the Local Tourism Development Zone Business Tax Act, Tenn. Code Ann. §§ 67-4-3001 *et seq.* (“Surcharge Act”), authorizes the City of Memphis to designate as a “Qualified Public Use Facility” a mixed-use development including a full-service hotel with not less than one hundred fifty (150) rooms and including retail, office, apartment, parking or other commercial or residential uses that is located in the portion of Downtown Memphis designated as a tourism development zone (“Downtown TDZ”) pursuant to the

Convention Center and Tourism Development Financing Act of 1998, which is codified at Tenn. Code Ann. §§ 7-88-101 *et seq.*;

WHEREAS, the Development Agreement requires that the 100 North Main Development include a full-service hotel with not less than one hundred fifty (150) rooms as a part of a mixed-use development, including retail, office, apartment, parking, or other commercial or residential uses (the “Hotel Development”); and

WHEREAS, the Surcharge Act authorizes the City of Memphis to levy a privilege tax (“Tourism Surcharge”) on the sale of certain goods and services within such Qualified Public Use Facility and other related facilities, and to assign (or cause to be assigned) to CCRFC the revenues from such Tourism Surcharge that are paid, remitted or otherwise transferred to the City or City Treasurer to pay or reimburse costs incurred, or to pay debt service on indebtedness incurred to finance or refinance costs, in connection with the acquisition, construction, renovation, and equipping of such Qualified Public Use Facility and other related facilities;

WHEREAS, the City of Memphis administration finds that it is wise, necessary and advisable to designate the 100 North Main building, including a full-service hotel with not less than one hundred fifty (150) rooms (the “100 North Main Building Development”), as a Qualified Public Use Facility pursuant to and in accordance with the Surcharge Act;

WHEREAS, the City administration finds that it is wise, necessary, and advisable to seek authorization from this Council to levy a Tourism Surcharge of five percent (5%) of the Sales Price (as defined in the Surcharge Act) on Sales (as defined in the Surcharge Act) made by engaging in any Business (as defined in the Surcharge Act) in or upon the 100 North Main Building Development (the “100 North Main Surcharge”);

WHEREAS, the City administration finds that it is wise, necessary, and advisable to assign revenues generated from the 100 North Main Surcharge (“100 North Main Surcharge Revenues”) to CCRFC to pay or reimburse costs incurred, or to pay debt service on indebtedness incurred to finance or refinance costs, in connection with the 100 North Main Building Development;

WHEREAS, to enact the 100 North Main Surcharge, the City administration has proposed the ordinance set forth below (“Tourism Surcharge Ordinance”); and

WHEREAS, the City administration desires that this Council (i) approve the Tourism Surcharge Ordinance, and (ii) otherwise provide with respect to the foregoing.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Memphis as follows:

1. Sec. ___ - ___ -1. **Designation as Qualified Public Use Facility**

The 100 North Main Building Development, including the Hotel Development, is hereby designated as a qualified public use facility (collectively, the “100 North Main”

QPUF”) pursuant to and in accordance with Tenn. Code Ann. title 67, chapter 4, part 30 (as amended from time to time, hereinafter in this chapter called the “Act”).

Sec. ___ - ___-2. **Creation of District**

There is hereby created the 100 North Main Surcharge District (the “District”) in accordance with the Act.

Sec. ___ - ___-3. **District Boundaries**

The District created by this chapter shall be comprised of the area located in the City within the following boundaries:

That certain property bounded on the north by Adams Avenue, on the east by Second Street, on the south by the first alley north of Jefferson Avenue and on the west by Main Street, including the following tax parcels:

Tax Parcel [002-012-00001C](#) – 100 North Main Street

Lots 219, 220, 261 and 262, and part of an alley now closed, as shown on Plan of Memphis and more particularly described as follows:
Beginning at a point, said point being the intersection of the south line of Adams Avenue (66) with the east line of Main Street (82.5'); thence south 75 deg 03 min 28 sec E along the south line of Adams Avenue 323.10 feet to a point, said point being the intersection of the south line of Adams Avenue with the west line of N. Second Street (66'); thence S 14 deg 58 min 11 sec W along the west line of N. Second Street, 141.08 feet to a point, said point being the intersection of the north line of a 24.5 foot alley with the west line of N. Second Street; thence N 75 deg 04 min 36 sec W along the north line of said alley, 323.40 feet to a point, said point being the intersection of the north line of said alley with the east line of Main Street; thence N 15 deg 05 min 28 sec E, along the east line of Main Street, 55.19 feet to a point; thence S 75 deg 03 min 28 sec E, 90.41 feet to a point; thence N 15 deg 05 min 28 sec E, 21.0 feet to a point; thence N 75 deg 03 min 28 sec W, 90.41 feet to a point; said point being in the east line of Main Street; thence N 15 deg 05 min 28 sec E, along the east line of Main Street, 65.0 feet to the point of beginning.

Tax Parcel [002-012-00002](#) - 0 North Main Street

Lot No. 4 of the subdivision of Part of Lots 219 and 220 of the City of Memphis more particularly described as follows:

Beginning at a point in the East line of North Main Street 65 feet south of the south line of Adams Avenue; thence southwardly with the east line of North Main Street 21 feet; thence eastwardly parallel with Adams Avenue 90.41 feet to the east line of what was formerly a private alley; thence northwardly 21 feet; thence westwardly 90.41 feet to the point of beginning.

Sec. ___ - ___-4 **Surcharge Assessment**

The making of Sales (as such term is defined in the Act) by engaging in any Business (as such term is defined in the Act), except for those businesses exempt under Tenn. Code Ann. title 67, chapter 4, part 712, in the District is declared to be a privilege. All such Sales shall be subject to the surcharge assessment provided in this Chapter and the City hereby levies such surcharge on all Sales.

Sec. __ - ____-5 **Surcharge Assessment Rate**

The surcharge levied by this section shall be equal to five percent (5%) of the Sales Price (as such term is defined in the Surcharge Act).

Sec. __ - ____-6 **Mandatory Registration, Filing of Returns, Payment of Surcharge and Licensing**

All persons carrying on Business (as such term is defined by the Act) in the District, and all persons who may hereafter carry on Business in the District, shall register with the City Treasurer for the purpose of assessment and collection of the surcharge. All persons so registered shall file a return detailing Sales for the prior month and surcharge collected on account of such Sales on or before the twentieth (20th) day of each calendar month and shall remit all surcharge collected during such month, together with any delinquent payments of surcharge, with such return. Each person who files a return and remits the appropriate amount of surcharge shall be granted a license that such person shall display within their place of Business. The City Treasurer is hereby authorized and directed to develop the forms for registration and filing monthly returns, as well as rules and regulations regarding the filing of the same.

Sec. __ - ____-7 **Delinquent Payments**

Any nonpayment or delinquent payment of any surcharge shall be subject to the rights and remedies described in Chapter 5-24 of the Memphis City Code.

Sec. __ - ____-8 **Allocation and Use of Revenues**

All revenues received by the city as a result of the surcharge, except for the reasonable expenses of the City Treasurer incurred as a result of its administrative duties under this chapter which shall not exceed one percent (1%) of such revenues, shall be designated for, and allocated to the payment of the cost of Renovation and potential Expansion of the 100 North Main QPUF, including, without limitation, all debt issued or incurred in the acquisition, construction, leasing, renovation and equipping of the 100 North Main QPUF, including principal, interest and other fees and charges.

Sec. __ - ____-9 **Remittance of Revenues**

On or before the fifteenth (15th) day of each month, the City Treasurer shall remit all revenues received during the prior month, less the aforescribed administrative fee, to

CCRFC or its assignee. CCRFC, or its assignee, is hereby directed to deposit such revenues in accordance with the Act and any agreements governing the payment or reimbursement of costs incurred, or debt issued or incurred by CCRFC to finance or refinance costs, in connection with the development or redevelopment of the 100 North Main QPUF.

Sec. __ - ____-10 **Termination of Surcharge**

The surcharge shall continue until terminated as provided in the Act.

1. All actions heretofore undertaken by the Mayor or his designee and other officials, employees, attorneys and agents of the City in furtherance of the intent of this resolution, and of the documents authorized by this resolution, are hereby ratified, confirmed and approved.

2. The Mayor or his designee and other appropriate officials of the City are hereby authorized to enter into such agreements, and they and other appropriate employees of the City are hereby authorized to execute such certificates or other documents and take such other actions, as may be necessary or appropriate to carry out the intent of this Ordinance.

3. This Ordinance shall take effect from and after its adoption, the welfare of the City of Memphis requiring it.

Sponsor: _____