

Memphis City Council
Summary Sheet
CD 01080

Resolution to:

- Accept and approve the 51± acre Pyramid and Pinch District Redevelopment Project.
- Accept and approve Bass Pro Memphis Development Company, LLC as the developer for the Project.
- Authorize the Mayor of the City of Memphis to execute the Lease and Development Agreement between the City of Memphis, and Bass Pro Memphis Development Company, LLC, for the development of the Site, and to take all measures necessary to complete the terms, conditions and obligations as set forth therein said Agreement.
- Allocate an amount up to and including Sixty Three Million Dollars (\$63,000,000) to Project CD01080-Pyramid and Pinch District Redevelopment, which shall be necessary to complete the terms, conditions and obligations as set forth therein said Agreement.

RESOLUTION

WHEREAS, on or about January 1, 2009, the City of Memphis, the County of Shelby, and Bass Pro Memphis Development Company, LLC. executed a Development Agreement for the structure formally known as the Pyramid Arena., and the approximate 40 acres of surrounding land located at One A.W. Willis Avenue in Memphis, TN and;

WHEREAS, subsequent to the execution of the Development Agreement, the City of Memphis purchased all right, title, and interest, of Shelby County, Tennessee in the Pyramid Arena site, and extended the terms and conditions of the Development Agreement through June 30, 2010; and

WHEREAS, as outlined in the Development Agreement, during the course of the Development Period and through subsequent studies and analyses by the City of Memphis, through its consultants, RKG and Associates, and by Bass Pro, Inc., it was determined that the redevelopment of the area formally known as the Pinch District, in conjunction with the Pyramid, would maximize the area impact of the overall development project, as well as further enhance the Uptown Redevelopment Area by providing a significant tourism and economic development district in the area, and as such, elected to include the Pinch District as part of the entire redevelopment project, which includes the Pyramid, the Cook Convention Center and the Pinch District; and

WHEREAS, on or about June 30, 2010, the City of Memphis received approval from the Tennessee Department of Finance and Administration to add the Pyramid and Pinch District as components of the Cook Convention Center Qualified Public Use Facility, pursuant to T.C.A. 7-88-103 (7)(A)(iv), thus making the Pyramid and Pinch District eligible to receive funding through state and local sales tax revenues generated in the existing Tourism Development Zone (TDZ); a map of which is provided with this resolution as Exhibit A; and

WHEREAS, on or about June 30, 2010 Bass Pro, Inc. through its Bass Pro Memphis Development Company, LLC executed a Lease Agreement for the Memphis Pyramid site, pursuant to the terms and conditions of the Development Agreement, and in that connection, Bass Pro has agreed to redevelop, construct, and operate the Pyramid site consistent with the terms of the Lease; and

WHEREAS, in addition to the Pyramid site, the City of Memphis and Bass Pro have agreed to work together to establish the Pinch District redevelopment as part of the overall redevelopment plan; and

WHEREAS, the Administration of the City of Memphis proposes to invest an amount equal to Twenty Million Dollars (“\$20,000,000”) in facility improvements to create the “Warm Lit Shell” to be funded with federal sources and state revenue streams, including, but not limited to that portion of sales taxes allotted from the development pursuant to the existing Tourism Development Zone (TDZ), as approved by the State of Tennessee on June 30, 2010, so as not to compromise the City’s General Revenue Fund; and

WHEREAS, the Administration of the City of Memphis proposes to invest up to Thirty Three Million Dollars (“\$33,000,000”) in Tenant Improvements (the “Landlord Contribution” or “Bass Pro’s Work”), to be funded with state revenue streams (that portion of sales taxes allotted from the development pursuant to the existing Tourism Development Zone (TDZ), as approved by the State of Tennessee on June 30, 2010), so as not to compromise the City’s General Revenue Fund; and

WHEREAS, any funds expended for the Landlord Contribution, in excess of Thirty Million Dollars (“\$30,000,000”) will repaid by Bass Pro as additional rent on the Commencement Date of the Retail Store; and

WHEREAS, the Administration of the City of Memphis proposes to invest Ten Million Dollars (“\$10,000,000.00”) for ancillary site acquisitions, to be funded with state revenue streams (that portion of sales taxes allotted from the development pursuant to the existing Tourism Development Zone (TDZ), as approved by the State of Tennessee on June 30, 2010), so as not to compromise the City’s General Revenue Fund; and

WHEREAS, the approval of these measures by the Memphis City Council is in the best interests of the citizens of Memphis.

THEREFORE, BE IT RESOLVED, that the City Council of Memphis, Tennessee hereby accepts and approves the 51± acre Pyramid and Pinch District Redevelopment Project; and

THEREFORE, BE IT FURTHER RESOLVED, that the City Council of Memphis, Tennessee hereby accepts and approves Bass Pro Memphis Development Company, LLC as the developer for the Project; and

THEREFORE, BE IT FURTHER RESOLVED, that the City Council of Memphis, Tennessee hereby authorizes the Mayor of the City of Memphis to execute the aforementioned Lease and Development Agreement between the City of Memphis, and Bass Pro Memphis Development Company, LLC, for the development of the Site, and to take all measures necessary to complete the terms, conditions and obligations as set forth therein said Agreement; and

BE IT FURTHER RESOLVED, that the City Council of Memphis, Tennessee hereby allocates an amount up to and including Sixty Three Million Dollars (\$63,000,000) to Project CD01080-Pyramid and Pinch District Redevelopment, which shall be necessary to complete the terms, conditions and obligations as set forth therein said Agreement.

Fund: 0400
Award: 11010
Project: CD01080
Name: Pyramid and Pinch District Redevelopment
Amount: \$63,000,000