



## Memphis City Council Summary Sheet

Resolution to allocate a portion of the City of Memphis's Allocation of Recovery Zone Facility Bonds

- This resolution will allocate a portion of the City of Memphis's allocation of Recovery Zone Facility Bonds in the amount of Eighteen Million Dollars (\$18,000,000) to certain bonds to be issued at the request of the Memphis Center City Revenue Finance Corporation to be used for the acquisition and renovation of "One Commerce Square."
- The initiating party is the Division of Finance.
- This Resolution does not change any existing Ordinance or Resolution.
- The resolution does not require new contracts, or amend an existing contract.

A RESOLUTION ALLOCATING A PORTION OF THE CITY OF MEMPHIS'S ALLOCATION OF RECOVERY ZONE FACILITY BONDS TO CERTAIN BONDS TO BE ISSUED AT THE REQUEST OF THE MEMPHIS CENTER CITY REVENUE FINANCE CORPORATION AND DESIGNATING THE USE OF SUCH BONDS

WHEREAS, pursuant to Sections 1400U-1 and 1400U-3 of the America Recovery and Reinvestment Act of 2009 (the "Act") and Internal Revenue Service Notice 2009-50 (the "Notice"), the City of Memphis ("City") has been allocated \$41,563,000 of volume cap and has received an additional allocation of Recovery Zone Facility Bonds from the State of Tennessee (the "City RZ Facility Cap") to issue or delegate the issuance of recovery zone facility bonds pursuant to Section 1400U-3 of the Act; and

WHEREAS, a group of civic minded Memphians (the "Ownership Group") has proposed to acquire and renovate the thirty (30) story office building located in the Center City Area commonly known as "One Commerce Square," (the "Project") and to induce Pinnacle Holding Company ("Pinnacle"), a large, local employer, to move its National Headquarters to the building; and

WHEREAS, to make the Project economically possible, the Ownership Group has requested that the City and Memphis Center City Revenue Finance Corporation ("CCRFC") provide assistance with the procurement, allocation and authorization of Recovery Zone Facility Bonds in the amount of Eighteen Million Dollars (\$18,000,000) (the "Requested Allocation") to reduce their borrowing cost in connection with the acquisition and renovation of One Commerce Square; and

WHEREAS, it is proposed that CCRFC issue bonds (the "Bonds") in an amount not to exceed the Requested Allocation to finance the acquisition, renovation and equipping of the Project in the City; and

WHEREAS, the City desires to (i) allocate the Requested Allocation to CCRFC for purposes of issuing the Bonds, (ii) recognize that as the Project is within the City's Renewal Community and, therefore, under the Act it is within a Recovery Zone, and (iii) request that CCRFC issue the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Memphis that (a) the City hereby allocates Eighteen Million Dollars (\$18,000,000) of the City RZ Facility Cap equal to the Requested Allocation to CCRFC pursuant to the Act and the Notice for the purpose of issuing Bonds to finance the Project, (b) the City hereby recognizes that the Project is within "recovery zone" for purposes of Section 1400U-1 of the Act because it is within the Memphis Renewal Community designated by the United States Department of Housing and Urban Development; (c) the City hereby requests CCRFC to issue the Bonds, and (d) the Mayor of the City is hereby authorized to execute such certificates or other documents as may be necessary or appropriate to carry out the intent of this resolution.

Adopted and approved this \_\_\_ day of \_\_\_\_\_, 2010.