

## Resolution

**WHEREAS**, the City of Memphis, by and through its Division of Housing and Community Development is responsible for the administration of its Community Development Block Grant program (CDBG) allocation provided by the U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, the Section 108 Loan Guarantee Program is a financial economic development tool derived from the CDBG program, which provides additional Federal funding to participating jurisdictions, se as the City of Memphis for certain economic development activities; and

**WHEREAS**, the Great American Steamboat Company (GASC) is a wholly owned subsidiary of HMS Global Services, Inc. and specializes in overnight steamboat cruise excursions inside of the continental United States, and particularly along the Mississippi River and surrounding tributaries; and

**WHEREAS**, GASC has expressed its desire to relocate its corporate offices and steamboat operations hub to Memphis, which will result in the creation of approximately 587 new jobs, bring an additional 21,000 tourists to the Memphis area per year, and result in a total annual economic impact of \$89.5 million dollars; and

**WHEREAS**, it has been determined by GASC and the City that the total costs for the establishment of this project is approximately Thirty One Million Dollars (\$31,000,000.00), which includes, but is not limited to, the relocation and refurbishment of the American Queen Vessel, as well as marketing, corporate mobilization, and other operational costs of GASC; and

**WHEREAS**, GASC has secured approximately Twenty Two Million Dollars(\$22,000,000) for the completion of this project through private investments, and corporate equity contributions, and is desirous of seeking the remaining contribution through public sources; and

**WHEREAS**, the Administration of the City of Memphis proposes to invest up to Nine Million Dollars (“\$9,000,000”) in HUD Section 108 loan funds to the project for vessel relocation and refurbishment costs, as well as for certain corporate relocation and operating expenses for GASC so as not to compromise the City’s General Revenue Fund; and

**WHEREAS**, in addition to its financial commitment, the administration of the City of Memphis shall ensure a minimum goal of thirty five percent (35%) participation by minority and women owned businesses MWBEs in all aspects of the project to the extent practicable; and

**WHEREAS**, the City is further desirous of entering into a Loan Agreement with GASC, for the amount of Nine Million Dollars (“\$9,000,000”), which will be applied towards the vessel relocation and refurbishment costs, as well as for certain corporate relocation and operating expenses for GASC, and will require GASC to repay those sums provided to it by the City over a ten (10) year period through the assessment of boarding and docking fees and other private sources; and

**WHEREAS**, the approval of this resolution by the Memphis City Council in the best interest of the citizens of Memphis.

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**NOW BE IT THEREFORE RESOLVED**, that the City Council of Memphis, Tennessee hereby accepts and approves the City's allocation of Nine Million Dollars (\$9,000,000.00) in HUD Section 108 funds for the relocation of GASC to the City of Memphis, pursuant to the terms set forth in this resolution, and hereby authorizes the Mayor of the City of Memphis to execute all documents, including, but not limited to; the Boarding and Docking Agreement, the Loan Agreement, the HUD Section 108 Loan application, and take any other measures which shall be deemed necessary by the administration or the Council for the completion of this matter; and

**BE IT FURTHER RESOLVED**, that the City Council of Memphis, Tennessee hereby authorizes the Mayor of the City of Memphis, Tennessee to execute all documents and take any other measures necessary for the completion of the development of the Beale Street Landing with Nine Million Seven Hundred Forty Five Thousand Dollars (\$9,745,000.00) being allocated for this project from G.O. Bonds or other available funding sources.

### **First Amendment**

**WHEREAS**, in addition to the proposed Riverfront Development, it is the intent of the City of Memphis to utilize various development tools and financial resources, including funding from its Capital Improvements Program to complete the development of its downtown and core city areas; and

**WHEREAS**, the Redevelopment of Overton Square is an essential element in establishing the Midtown Memphis area as an economic development and entertainment hub in the City of Memphis; and

**WHEREAS**, in the furtherance of planning for future development efforts in Overton Square, the City of Memphis, by and through its Division of Housing and Community Development has commissioned a Tax Increment Financing (TIF) study for a significant part of the Midtown area, including Overton Square, commenced with various neighborhood and commercial property analyses, essential for the creation of a redevelopment plan in the area, and have sought federal assistance through HUD's Disaster Recovery Fund to address the creation of a detention facility for Lick Creek; and

**WHEREAS**, in addition to the foregoing, the City of Memphis is evaluating the presence of public safety facilities and other necessities in the area to ensure that its existence as a safe and orderly entertainment district; and

**WHEREAS**, after careful evaluation of the preliminary results of the various analyses, conducted on the area, as well as the recognized need to resolve the flooding issues at Lick Creek, it has been determined by the Administration that the development and funding of Overton Square is a priority; and

**WHEREAS**, the Administration of the City of Memphis is desirous of providing funding for the development of Overton Square immediately upon the conclusion of the TIF study, and the other preliminary evaluations of the area; and

**WHEREAS**, in addition to its financial commitment, the administration of the City of Memphis shall ensure a minimum goal of thirty five percent (35%) participation by minority and women owned businesses MWBEs in all aspects of the project to the extent practicable; and

**WHEREAS**, given the foregoing premises, and upon approval by the Memphis City Council, the Administration is prepared to amend the City's FY '12 Capital Improvement Budget to include funding for the development of Overton Square; and

**WHEREAS**, it has been determined by the Administration, that the approval of this resolution by the City Council is in the best interest of the citizens of Memphis.

**NOW BE IT THEREFORE RESOLVED**, that the Memphis City Council hereby approves the amendment of the FY '12 Capital Improvements Program budget to include funding for the development of Overton Square; and

**BE IT FURTHER RESOLVED**, that said budget amendment shall be in an amount not to exceed Four Million Dollars (\$4,000,000.00), or the amount necessary to fund the requisite public improvements for the development; and

**BE IT FURTHER RESOLVED**, that said funding shall, for purposes of this project be considered as bridge funding, pending the project's receipt of funding through TIF bond proceeds, and upon receipt of said proceeds, the City of Memphis shall be reimbursed for these expenditures allocated herein; and

**BE IT FURTHER RESOLVED**, that in the event the project should receive TIF bond proceeds prior to the effective date of the budget amendment, then said funding shall either be applied to other project costs or reprogrammed at the discretion of the administration, and subject to the approval of the Council.

I hereby certify that the foregoing is a true copy  
and document was adopted, approved by the  
Council of the City of Memphis in regular  
session on

**MAY 17 2011**

Date \_\_\_\_\_

Valerie C. Spivey  
Deputy Comptroller-Council Records