

## **REVENUE BONDS APPLICATION**



**100 Peabody Place, Suite 1100  
Memphis, TN 38103  
(901) 341-2100**

**Please submit your application online at [www.growth-engine.org](http://www.growth-engine.org)**

**APPLICATION FOR REVENUE BONDS**

**ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF  
THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE**

**APPLICANT**

Company Name: The City of Memphis, Tennessee  
Company Contact: Brian Collins, Finance Director  
Mailing Address: 125 N. Main Street  
City: Memphis State: TN Zip: 38103  
Telephone: 901-576-6657 E-mail: [brian.collins@memphistn.gov](mailto:brian.collins@memphistn.gov)  
Federal Employer Identification Number: 62-600036  
Applicant's Legal Structure: Municipal Government within the State of Tennessee

**BOND INFORMATION:**

Proposed issue size: Not to exceed \$200,000,000 Anticipated Interest Rate: Not to exceed 6.00%

**Type of Bond Issue:**

Tax-Exempt Bonds	<input checked="" type="checkbox"/>	(Series 2017B)	Qualified 501(c)(3) Bonds	
Other Private Activity Bonds			Taxable Bonds	<input checked="" type="checkbox"/> (Series 2017A/C)

Public Offering or Private Placement (Circle one)

Proposed rating, if any, and rating agency: Expected Moody's: A1/Aa3 and S&P: A/AA-

Form of credit enhancement, if any: Municipal Bond Insurance will be evaluated

Minimum Denominations: \$5,000

Designate restrictions on the purchase of the Bonds: None

**Bond Counsel:**

Firm: Hawkins Delafield & Wood LLP  
Contact: Steven I. Turner  
Address: 28 Liberty Street; New York, NY 10005  
Phone/Fax: 212-820-9462  
Email: [sturner@hawkins.com](mailto:sturner@hawkins.com)

**Underwriter (2017A/C):**

Firm: Raymond James  
Contact: Kevin Thompson  
Address: 50 N. Front Street, 16th Floor  
Memphis, TN 38103  
Phone/Fax: 901-579-4393  
Email: [kevin.thompson@raymondjames.com](mailto:kevin.thompson@raymondjames.com)

**Underwriter (2017B):**

Bank of America Merrill Lynch  
Allegra Ivey  
One Bryant Park, 12<sup>th</sup> Floor  
New York, NY 10036  
646-743-1342  
Email: [allegra.ivey@baml.com](mailto:allegra.ivey@baml.com)

**Bond Trustee:**

Firm: Regions Bank  
Contact: Wally Duke  
150 4<sup>th</sup> Avenue North, Suite 900  
Address: Nashville, TN 38219  
Phone/Fax: 615-770-4354  
Email: Wallace.Duke@Regions.com

**PROJECT LOCATION:**

- A. Address: 1 Bass Pro Drive Memphis, TN 38105
  - B. Tax Parcel Numbers: 001004 00004C Source: Shelby Co. Assessor [www.assessor.shelby.tn.us](http://www.assessor.shelby.tn.us)
  - C. Name of current owner if different from Applicant: \_\_\_\_\_
  - D. Zoning designation: IH
  - E. Is parcel in a flood zone? Yes X No \_\_\_\_\_
  - F. Please indicate any utility needs, i.e., electrical, water, and sewer, not already available at the project site. N/A
- 
- G. Does the project produce emissions which would subject it to the jurisdiction of the Tennessee Department of the Environmental? If yes, please specify:  
No
- 
- H. Does the project produce sewage industrial effluent, or discharge of any unusual character requiring specialized treatment? If yes, please specify:  
No
- 

**Project Description:**

Briefly describe the applicant's principal business activities to be conducted at the Project Site:

The City of Memphis will prepay a loan made by Center City Revenue Finance Corporation (CCRFC) to the City in 2011 and to refund and defease the Federally Taxable Senior Revenue Bonds, Series 2011A (Pyramid and Pinch District Redevelopment Project), Tax Exempt Subordinate Revenue Bonds, Series 2011B (Pyramid and Pinch District Redevelopment Project) and Federally Taxable Subordinate Revenue Bonds, Series 2011C (Pyramid and Pinch District Redevelopment Project).

The proceeds of the 2011 bonds were used to redevelop the Pyramid Arena from a public arena to a world-class commercial and retail amenity and related purposes. The public arena was renovated and is now a retail tourism destination featuring a 300,000 square foot “Bass Pro Shops Outdoor World” facility with retail space, exhibit/entertainment space and an on-site restaurant along with an 80-room, 41,600 square foot hotel.

The loan by CCRFC, and therefore the 2011 bonds, are secured by sales tax revenues from the Tourism Development Zone (“TDZ”). The new indenture securing the refunding bonds will allow excess TDZ revenues to be used for additional projects within the TDZ.

**PROJECT - REAL PROPERTY INVESTMENT:**



**Employment and Local Impact**

Permanent Net New Jobs Created upon completion of Project:     N/A      
Existing Jobs Retained:     N/A      
Estimated Construction Jobs for Project:     N/A    

**Disclosures**

List all persons or entities that own or will own a 5% or greater interest in the Applicant or the Project:

    City of Memphis, TN      
      
      
    

Does the EDGE Board Counsel, Bond Counsel, or any member of the EDGE Board have a direct or indirect ownership in the Applicant or the Project? (If yes, please attach description).     No    

Is any materially significant litigation or administrative action pending or threatened against the Applicant, underwriter, or any person serving as an officer or director of the Applicant or any person or entity owning a 5% or greater interest in the Applicant or the Project? (If yes, please attach description).     No    

Has the Applicant, underwriter, or any person serving as an officer or director of the Applicant or any person or entity owning a 5% or greater interest in the Applicant or the proposed project ever been (a) charged or convicted of any civil or criminal offense regarding or growing out of the issuance, sale, or solicitation for sale of any type of security; (b) the subject of a NASD complaint; or (c) charged or convicted of a felony or misdemeanor involving moral turpitude? (If yes, please attach description).     No    

Has Applicant, or any affiliate of Applicant, ever defaulted on any project financed by tax-exempt bonds? (If yes, please attach description).

Attach or otherwise make available for review by EDGE Staff audited statements for the last three (3) years for the Applicant.


The Applicant represents and warrants that it will use its best good faith efforts to (a) to expend 25% of its construction or rehabilitation budget for contractors, subcontractors, labor and material suppliers with Minority and Women Owned Businesses recognized by the City of Memphis and Locally-Owned Small Businesses recognized by the County of Shelby, Tennessee; and (b) upon completion of the Project, to expend 25% of its annual budget for goods and services with locally-owned minority/women/small businesses.

In addition, the Applicant will use its best good faith efforts to (a) source construction materials and supplies from Shelby County to the maximum extent possible, and (b) source on-going supplies and materials from Shelby County to the maximum extent possible.

This Application is made in order to induce EDGE to grant financial incentives to Applicant. Applicant represents and warrants that the statements contained herein or attached hereto are true and correct to the best of their knowledge and include all information materially significant to EDGE in its consideration of this Application.

Applicant has read and agrees to comply with all requirements of the EDGE Bond Program Policies and Procedures. Applicant specifically agrees to pay all reasonable costs, fees, and expenses incurred by EDGE in connection with this Application, whether or not the financial incentives are granted or the Project is consummated.

Applicant:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

By: Brian Collins

Title: Finance Director, City of Memphis, TN

**SUMMARY OF TRANSACTION PREPARED FOR**  
**ECONOMIC DEVELOPMENT GROWTH ENGINE INDUSTRIAL DEVELOPMENT BOARD OF**  
**THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE**  
**ISSUANCE OF 2017 REVENUE BONDS & LOAN AGREEMENT WITH THE CITY OF MEMPHIS, TN**

On September 30, 2011, the Memphis Center City Revenue Finance Corporation issued the Federally Taxable Senior Revenue Bonds, Series 2011A (“Series 2011A”); the Tax Exempt Subordinate Revenue Bonds, Series 2011B (“Series 2011B”); and the Federally Taxable Subordinate Revenue Bonds, Series 2011C (“Series 2011C”); collectively with Series 2011A and Series 2011B, the “Refunded Bonds”) and loaned the proceeds to the City of Memphis (the “City”) to finance the redevelopment of the Pyramid Arena and related costs. The Series 2011A is supported by Tourism Development Zone (TDZ) revenues. The Series 2011B and Series 2011C are supported by TDZ revenues and non-ad valorem property tax revenues of the City. The existing legal structure limits the use of excess TDZ revenues. With this mind, the City intends to refinance the Refunded Bonds to allow excess TDZ revenues to support other qualified projects.

The City anticipates that such refinancing will be accomplished by the issuance by the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee, of its Senior Revenue Refunding Bonds, Series 2017A (Federally Taxable) (“Series 2017A”); the Tax Exempt Subordinate Revenue Refunding Bonds, Series 2017B (“Series 2017B”), and the Subordinate Revenue Refunding Bonds, Series 2017C (Federally Taxable) (“Series 2017C”); collectively with Series 2017A and Series 2017B, the “Refunding Bonds”). The Series 2017A will be supported by TDZ revenues. The Series 2017B and Series 2017C will be supported by TDZ revenues and non-ad valorem property tax revenues of the City. Excess TDZ revenues may also be used to fund additional projects within the TDZ.

The Refunding Bonds are expected to be issued in an amount not to exceed \$200M in May 2017. The debt service associated with the Refunding Bonds is expected to be expenditure neutral or produce savings to the City. Based on current market conditions as of March 6, 2017, the refinancing results in approximately \$2.4 million in present value savings. The expected participants involved in this transaction are included as an attachment.

Counselors, Advisors and Agents of the City

Firm	Role	MWBE (Firm)	Local Presence (Firm)	Minority/Woman (Team)
PFM Financial Advisor LLC	Co-Financial Advisor	No	Yes	Yes
ComCap Advisors	Co-Financial Advisor	Yes	Yes	Yes
Hawkins Delafield & Wood LLP	Co-Bond/Tax Counsel	No	No	No
Bruce Turner, PLLC	Co-Bond Counsel	Yes	Yes	Yes
Greenberg Traurig, P.A.	Co-Disclosure Counsel	No	No	Yes
Bruce Turner, PLLC	Co-Disclosure Counsel	Yes	Yes	Yes
Adams and Reese LLP	Counsel to Borrower	No	Yes	No
Terminus Analytics, LLC	Verification Agent	Yes	No	Yes
Digital Assurance Corporation	Diseminaiton Agent	Yes	No	Yes
Regions Bank (Corporate Trust Divison)	Trustee	No	Yes	No

Underwriting Team

Firm	Role	MWBE (Firm)	Local Presence (Firm)	Minority/Woman (Team)
Raymond James	Co-Senior	No	Yes	No
Bank of America	Co-Senior	No	No	Yes
Duncan Williams	Comanager	Yes	Yes	Yes
Seibert, Cisneros, Shank & Co. LLC	Comanager	Yes	No	Yes
First Tennessee	Comanager	No	Yes	No
SunTrust	Comanager	No	Yes	Yes
Charles Carpenter	Co-Underwriter's Counsel	Yes	Yes	Yes
Bodman PLC	Co-Underwriter's Counsel	No	No	Yes

Issuer

Firm	Role	MWBE (Firm)	Local Presence (Firm)	Minority/Woman (Team)
EDGE	Issuer	No	Yes	No
Farris Bobango	Issuer's Counsel	No	Yes	No