

**ELVIS PRESLEY ENTERPRISES, INC.  
GRACELAND PROJECT**

**Project Scope:**

The Project will have 3 Phases consisting of the following:

1. **Archive/ Theater** – Construction of an archives studio that will permit visitors to see portions of Graceland’s archives that are not on regular display and will include a 200 seat theater. (\$1,000,000 Project cost).
2. **Hotel** - Construction of the Guesthouse at Graceland, a 450 room, 3+ star full service hotel with approximately 16,000 square feet of meeting and ballroom space, an approximately 500-seat 6,000 square foot theater, 2 restaurants, and a pool. The Guesthouse at Graceland will replace the Heartbreak Hotel. (\$90,000,000 - \$95,000,000 Project cost).
3. **Retail and Attraction Upgrade** - Construction of 200,000-300,000 square feet of attractions on the west side of the Elvis Presley Boulevard, which may include a mix of new visitor attractions and retail opportunities, replacing the current, 1970’s era buildings. (\$30,000,000 - \$35,000,000 Project cost).

**Project Impact:**

The Economic Impact Analysis prepared by Younger & Associates shows that the Project will have a significant positive impact on Memphis and Shelby County over **15 years**:

- Over **500 new jobs** in Shelby County.
- Over **\$1 billion** in economic impact.
- Over **\$50 million** in additional tax revenue available for other uses.

**Minority Participation:**

Significant local and minority participation both in construction and long term employment (**over 55%** of Graceland employees are minorities).

**Project Funding:**

The Project will be funded through the following sources:

- **TDZ Increment** – A Tourism Development Zone will be created on the Graceland site and incremental sales tax, excluding local sales taxes used for education purposes, will be captured for use on the Project. The TDZ will not encompass any area outside of the Graceland property, so increases in sales taxes generated in the rest of Whitehaven will be available for other uses.
- **Tourism Surcharge** – A 5% Tourism Surcharge will be charged on purchases within the Graceland site and used on the Project. The Tourism Surcharge is permitted by State law, may only be generated at the Project site and may only be used at the Project site.
- **TIF** – A Tax Increment Financing district will be created on the Graceland property and incremental property taxes will be captured for use on the Project. As with the TDZ, only the Graceland property will be subject to the TIF, so increases in property taxes generated by improvements to the rest of Whitehaven will be available for other uses.

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- **Owner Funding** – The owners of Graceland have committed to provide the additional funding needed for the Project to ensure completion of world class facility upgrades.

**Anticipated Annual Incremental Incentive Funds:**

TDZ Increment:

– <i>State portion:</i>	\$2,124,000
– <i>City/County portion:</i>	<u>340,000*</u>
<i>Total</i>	2,464,000

Tourism Surcharge: 3,200,000

TIF: 1,064,693\*

**Return on Investment:**

The Project will provide the City and County with a 2X Return on Investment on the investment of incremental tax revenues. The City and County portion of the incentives for the Project is \$1,404,693 per year. The Younger & Associates Economic Impact Analysis shows that the Project creates over \$3.3 Million per year in new tax revenue not captured by the TDZ or TIF. The \$3.3 million per year in new tax revenue is available to be used for other purposes.

\*City/County Portion of Incentives