

**RESOLUTION OF  
THE PARKING AUTHORITY OF THE CITY  
OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE  
(BAKERY PARKING GARAGE)**

**WHEREAS**, it is vital to the economic growth and development of the City of Memphis (the “City”) that vacant and blighted buildings be redeveloped and placed back into service;

**WHEREAS**, the Edge neighborhood is a strategic focus for the Downtown Memphis Commission;

**WHEREAS**, the Wonder Bread Bakery site has been vacant since the plant closed in 2013 and the adjacent properties at 421 Monroe, 411 Monroe, 407 Monroe and 435 Madison are also vacant;

**WHEREAS**, it is critical to the character of our City to save and reuse buildings such as the Wonder Bread Bakery and the former Memphis Cycle Supply building whenever possible;

**WHEREAS**, the cost of redeveloping the Wonder Bread Bakery far exceeds the present value of the likely economic returns on such an investment, making a purely private redevelopment impracticable;

**WHEREAS**, PGK Properties, LLC (the “Ownership Group”) has purchased the Wonder Bread Bakery site and adjacent buildings at 421 Monroe, 411 Monroe, 407 Monroe and 435 Madison and proposes to renovate and develop the property into a mixed-use facility, including multifamily residential, office, commercial and parking (the “Project”) for a total estimated project cost of approximately Seventy Three Million Dollars (\$73,000,000);

**WHEREAS**, the redevelopment of the Project into a mixed-use facility, including multifamily residential, office, commercial and parking, would remedy blight, create jobs, increase surrounding property values, and provide needed housing in the core of the city, and help attract new citizens to Memphis;

**WHEREAS**, the Ownership Group commissioned a parking study which shows a current need for parking in the Edge neighborhood, including the area of the Project, and that such demand will increase as the new developments are under construction or planned in the Edge neighborhood, including the Project, are completed;

**WHEREAS**, to make the project economically possible and to provide public parking for the Edge neighborhood, including the Project, it is proposed that this Corporation construct an approximately 480 space parking garage constituting a part of the Project (the “Bakery Parking Garage”);

**WHEREAS**, it is further proposed that Memphis Center City Revenue Finance Corporation (“CCRFC”) will loan this Corporation up to Six Million Dollars (\$6,000,000) from certain of its funds commonly known as the PILOT Extension Fund (the “Loan”) for the construction of the Bakery Parking Garage;

**WHEREAS**, it is proposed that this Corporation will use a portion of the Loan to purchase the land on which the Bakery Parking Garage will be built;

**WHEREAS**, it is proposed that this Corporation will expend up to the remainder of the Loan on the construction of the Bakery Parking Garage;

**WHEREAS**, it is further proposed that CCRFC will lease the Bakery Parking Garage to the Corporation pursuant to a lease agreement (the “Lease”) and that the Corporation will sublease the Bakery Parking Garage to the Ownership Group pursuant to a capital lease under which the Ownership Group will construct the Bakery Parking Garage on behalf of the Corporation (the “Sublease”);

**WHEREAS**, the Sublease will require that the Developer make parking in the Bakery Parking Garage available for rent to the general public;

**WHEREAS**, the Loan will be evidenced by a Promissory Note (the “Note”) from this Corporation to CCRFC and a Loan Agreement (the “Loan Agreement”) by and between this Corporation and CCRFC;

**WHEREAS**, the Loan will be secured by a Tennessee Fee Deed of Trust with Security Agreement and Assignment of Rents and Leases (the “Deed of Trust”) from this Corporation for the benefit of CCRFC encumbering the Bakery Parking Garage; and

**WHEREAS**, but for the incentives described above, it will not be economically feasible for the Developer to acquire and renovate the Project; and

**WHEREAS**, the approval of the Mayor of the City of Memphis, the Mayor of Shelby County, the Memphis City Council and the Shelby County Commission is required for CCRFC to use up to \$6,000,000 from the PILOT Extension Fund to fund the Loan:

**NOW, THEREFORE, BE IT RESOLVED** by this Board of Directors as follows:

1. Contingent upon approval of the Mayor of the City of Memphis, the Mayor of the County of Shelby, the Memphis City Council and the Shelby County Commission of the use of up to \$6,000,000 from the PILOT Extension Fund to fund the Loan (the “Governmental Approvals”), the purchase of the land for the Bakery Parking Garage by this Corporation, the construction of the Bakery Parking Garage, the transfer of the Bakery Parking Garage to CCRFC, the lease back of the Bakery Parking Garage from CCRFC pursuant to the Lease and the sublease of the Bakery Parking Garage to the Developers pursuant to the Sublease are hereby authorized and approved in all respects.

2. Contingent upon the Governmental Approvals of the use of up to \$6,000,000 from the PILOT Extension Fund for the Loan, the Loan by CCRFC to this Corporation is hereby authorized and approved in all respects.

3. This Corporation hereby authorizes and approves the execution by its President or any of its other officers and the delivery of the Loan Agreement, the Note and the Deed of Trust, the Loan Agreement, the Note and the Deed of Trust in the form thereof approved by the President or other officer of this Corporation executing the same with such execution to constitute conclusive evidence of such officer's approval and this Corporation's approval of the form, terms and provisions thereof.

4. This Corporation hereby authorizes and approves the execution by its President or any of its other officers and the delivery of the Lease and Sublease in the form thereof approved by the President or other officer of this Corporation executing the same with such execution to constitute conclusive evidence of such officer's approval and this Corporation's approval of the form, terms and provisions thereof.

5. Each of the officers of this Corporation be, and hereby is, authorized and directed to do any and all other acts, including without limitation, the execution and delivery of any of the documents necessary and desirable to make effective these Resolutions, and the execution, delivery and performance thereof by such officer or officers of this Corporation shall be deemed to be conclusive evidence of the approval by this Corporation to the terms and conditions and appropriateness thereof.

6. All prior resolutions of this Board of Directors or any parts thereof in conflict with any or all of this Resolution are hereby repealed to the extent of such conflict but are otherwise ratified and approved.

7. The Secretary or any other officer of this Corporation is hereby authorized to certify to the due adoption of this Resolution and to provide certified copies of this Resolution and any other Resolutions to any party in connection with the transactions contemplated by this Resolution and to attest the execution of any document or instrument by any other officer on behalf of this Corporation.

Adopted this 16th day of August, 2017.

PARKING AUTHORITY OF THE CITY OF MEMPHIS AND  
COUNTY OF SHELBY, TENNESSEE

By: \_\_\_\_\_  
Its: \_\_\_\_\_