Driving Economic Development

It is EDGE’s vision that all people in Memphis and Shelby County should have opportunities for economic prosperity.

Since the launch of EDGE in 2011, we have been working to make that vision a reality. We have focused on building a solid foundation for streamlined incentives and other competitive financial tools. Entering our sixth year, we now embark on a broader agenda to advance local economic development. EDGE is concentrating development efforts around five main areas: boosting industrial development, bolstering small business expansion, accelerating neighborhood revitalization, fostering regional collaboration, and leveraging the International Port of Memphis.
Q2 2017 Projects

1. International Distributors USA
2. Three Sisters Deli
3. Knowledge Quest
4. South Memphis Alliance
In November, EDGE approved a 10-year Fast Track PILOT for International Distributors USA (IDUSA) that resulted in bringing 40 new full-time jobs to Memphis. Previously based in Mississippi, IDUSA, an international supplier of auto parts distributed under the name Premium Guard, will spend nearly $6.5 million at the Memphis facility and generate nearly $2 million in local total tax revenues across the lifetime of the PILOT.

The EDGE Fast Track PILOT enables IDUSA to move from its current 165,000 SF distribution facility in Olive Branch, MS to a 510,310 SF facility located at 4770 Hickory Hill Road in Southeast Memphis. The facility will increase logistics efficiency and allow for IDUSA’s future growth.

Under the new Fast Track PILOT program, applicants seeking office and industrial space can receive a 75 percent abatement on property taxes for up to ten years if the applicant meets specified program requirements, such as a new jobs minimum and at least $1 million capital investment.

Q2 2017 | PROJECTS

INTERNATIONAL DISTRIBUTORS USA
Fast Track PILOT (Payment-In-Lieu-of-Taxes)

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Q2 2017 | PROJECTS

INTERNATIONAL DISTRIBUTORS USA
Fast Track PILOT (Payment-In-Lieu-of-Taxes)
Created by the Memphis City Council in 2013, the ICED Loan Program’s purpose is to spark revitalization of Memphis inner-city neighborhood business districts through small forgivable loans to assist with signage, building improvements, and business expansion. Through EDGE’s assistance, these small businesses are able to expand their reach and increase revenue while at the same time re-positioning the business as a dependable neighborhood anchor.

EDGE is pleased to partner with so many small businesses across Memphis, as they take steps to further strengthen their presence and revitalize their neighborhoods.

Three Sisters Deli, located at 1392 Kney in the New Chicago neighborhood, is owned and operated by Mr. Larry Williamson. Mr. Williamson is interested in providing a local neighborhood dining experience and community-meeting place for those in the neighborhood who have little access to prepared food options. The approved funds will be used for façade improvements, plumbing and electrical upgrades, interior restoration, and HVAC installation of the 1,042 SF building.

- Loan Approved: $18,946
- Total Capital Investment: $42,508
- Total Jobs: 3

Knowledge Quest (590 Jennette) was awarded a $20,000 ICED Loan to help fund façade improvements, roof replacement, interior renovations, and campus walkways. Knowledge Quest is a non-profit organization that offers assistance to families in crisis, provides counseling services at Universal Parenting Places, and operates the Green Leaf Farm and Jay Uiberall Culinary Academy. The organization is best known for its extended learning academies and after school programs such as Kids Zone.

- Loan Approved: $20,000
- Total Capital Investment: $30,040
- Total Jobs: 20
South Memphis Alliance (SMA) was awarded a $20,000 ICED Loan to help support the Social Suds Resource Center, a Laundromat that provides space for community serving activities such as literacy/tutoring programs and eye screenings. SMA is a non-profit organization that works to improve the health, knowledge, and stability of young people, families, and communities through social services, advocacy, and mentoring. The approved funds will facilitate parking lot construction, fencing, and landscaping for the facility located at 1231 Walker.

> Loan Approved: $20,000
> Total Capital Investment: $38,200
> Total Jobs: 5

ICED Loan recipient Knowledge Quest offers assistance to families in crisis, provides counseling services at Universal Parenting Places and operates the Green Leaf Learning Farm and Jay Uiberall Culinary Academy. The approved ICED loan will help improve the appearance of the campus office buildings, complete deferred maintenance, and improve accessibility throughout the Main Campus.
University District-Highland Strip

Tax Increment Financing (TIF)

Approved by the Memphis City Council, Shelby County Commission, and EDGE Board of Directors, nearly 600 parcels of land surrounding the University of Memphis and the Highland Strip will be included in a tax increment financing district that will raise an estimated $19 million across a 20-year term to help fund public improvements within the area including safety, road, and public infrastructure.

Requested by the University Neighborhood Development Corporation (UNDC), a not-for-profit dedicated to assisting the area surrounding the University of Memphis, the University District TIF’s goal is to help the University recruit and retain students, faculty, and spur new retail, commercial and residential development within the area. The district will receive 75 percent of the increase in tax revenues after deductions for city and county debt service and associated fees. Both City and County will continue to receive 100 percent of the established base year taxes.

The UNDC project is the second TIF approved by the EDGE Board, joining the Graceland TIF approved in 2015 that helped secure $137 million of new investment at the Graceland campus in Whitehaven.

IKEA Property, Inc.

Destination Retail PILOT

IKEA opened its long-awaited Memphis store Wednesday, December 14, 2016 to much excitement and a long line of eager customers. The 271,000 SF Memphis store is the company’s first store in Tennessee, 43rd store in the United States, and 392nd store globally. The Memphis store also boasts a rooftop solar system that generates enough solar electricity to power 297 cars or 205 homes a year.

Councilman Bill Morrison, Commissioner Willie Brooks, Deputy Chief of Mission at the Embassy of Sweden Goran Lithell, IKEA President U.S. Lars Petersson, Councilman Kemp Conrad, and EDGE President/CEO Reid Dulberger at the December 14, 2016 grand opening of IKEA.
Binghampton Gateway Center
Community Builder PILOT

Across the next few years, a brand new $7 million retail center anchored by a national grocery store and home goods retailer will replace a once derelict and delinquent apartment complex situated on a busy urban corner in a USDA-classified food desert. The Binghampton Development Corporation was able to create this urban oasis in-part through EDGE’s Community Builder Payment-in-Lieu-of-Taxes (PILOT) program.

Launched in 2016, the Community Builder PILOT was created as a tool to help spur revitalization of distressed neighborhoods by attracting retail, office, industrial, or other commercial projects.

“As we were rethinking the EDGE PILOT programs to make them more competitive, we realized that our most important local economic development incentive was virtually unusable for most inner-city projects – where it was most needed,” said Reid Dulberger, EDGE President/CEO. “After meeting with the Community Development Council and several other community stakeholders, we decided to create a tool similar to a traditional PILOT that could be used as an asset to help attract users to these distressed neighborhoods.”

The Community Builder PILOT program provides the same incentives that EDGE typically uses to retain or attract large-scale industrial or office projects, but targeted to non-profit and for-profit entities investing in urban revitalization. To make the EDGE PILOT program more applicable for those projects, EDGE waived its self-imposed prohibitions against providing incentives for retail and speculative projects. EDGE also adjusted the fee structure to make it easier for neighborhood groups to be the applicant.

“EDGE’s Community Builder PILOT is a wonderful tool specifically for recruiting tenants to come into the inner city and help redevelop these neighborhoods,” says Noah Gray, Executive Director, Binghampton Development Corporation. “The Community Builder PILOT is an innovative prototype that needs to be used as an economic development tool by other CDCs.”

A groundbreaking ceremony is scheduled for Wednesday, February 22, 2016.

“There are 8,000 people that live within walking distance of this location and there are about 3,000 homes in this general neighborhood. So access to the grocery and Dollar Tree are big benefits and there will be 7,000 square feet of other retail associated with this project. We’re excited because it serves the neighborhood, and we think it could serve a much larger geography.”

John Lawrence, Manager, Strategic Economic Development Planning
EDGE
Building 770 and Adjacent Lots Sold

Building 770 and adjacent lots, located at 2179 W.E. Freeman Drive, were sold to Supply Chain Solutions, LLC of Memphis, TN. Supply Chain Solutions is a diversified supply chain services and supplier provider. Supply Chain Solutions works with food manufacturers, apparel companies, cosmetics companies, and medical device corporations.

International Port of Memphis

Bar 343 Report

The Port Commission-owned Bar 343 was sold to a scrap metals dealer for $30,000.

Pidgeon Farm Lease Agreement

Approximately 932 acres of Frank C. Pidgeon Industrial Park will be leased to Hendrix & Sons Farm Partnership. Hendrix & Sons will lease the area for five years at $157,663 per year with two one-year options to extend.

TVA Transmission Line Easement

The Port of Memphis Board unanimously passed a motion to grant TVA a permanent easement covering 5.45 acres to accommodate the Tennessee Valley Authority’s new power generating plant located at Frank C. Pidgeon Industrial Park.

Kinder Morgan Request for Consent to Assignment of Terminal Lease Agreement

In November, the Port Commission and current terminal leaseholder Kinder Morgan agreed to reassign the terminal lease to WATCO. Kinder Morgan and WATCO have been in partnership for three years with WATCO taking over management of 21 Kinder Morgan river terminals.
Q2 2017 projects assisted by EDGE are projected to contribute:

### TAX INCENTIVE PROJECTS

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<th>Project</th>
<th>Type</th>
<th>Term</th>
<th>Projected Investment</th>
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<th>Jobs (Retained)</th>
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### LOAN PROJECTS

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“Since our inception in 2011, EDGE PILOT recipients have invested nearly $2.2 billion into the Memphis and Shelby County economy and generated nearly 12,000 total jobs. These numbers support EDGE’s belief that vibrant economic development extends the promise of prosperity to our families, neighborhoods, and overall community.”

Reid Dulberger, President/CEO
EDGE
DEVELOPMENT ASSISTANCE PROGRAMS:

Financial Incentives
- Payment-in-Lieu-of-Taxes (PILOT)
- Tax Increment Financing (TIF)
- Foreign Trade Zone 77

Economic Development Finance
- Inner City Economic Development Loans
- Industrial Revenue Bonds
- Tennessee Fast Track Economic Development Grants

Small Business Support
- Economic Gardening Program
- SBA Emerging Leaders Program

EDGE MANAGED ENTITIES
- Memphis and Shelby County Port Commission
- Industrial Development Board of the City of Memphis and County of Shelby, Tennessee
- Depot Redevelopment Corporation of Memphis and Shelby County

EDGE INDUSTRIAL PROPERTIES
- Presidents Island
- Frank C. Pidgeon Industrial Park
- Depot
BOARD OF DIRECTORS

EDGE, Depot Redevelopment Corporation, and the Industrial Development Board

Al Bright, Jr., Chairman
Thomas Dyer, Vice Chairman
Natasha Donerson, Secretary
Larry Jackson, Treasurer
Councilman Berlin Boyd
Commissioner Willie Brooks
Charles Goforth
Emily Greer
Mark Halperin
Jackson Moore
Johnny B. Moore, Jr.

Memphis and Shelby County Port Commission

Johnny B. Moore, Jr., Chairman
Larry Jackson, Secretary/Treasurer
Thomas Dyer
Charles Goforth
Mark Halperin
Robert Knecht
Jackson Moore
Tom Needham

President & CEO, EDGE and Managed Entities

Reid Dulberger

Vice President, Port and Industrial Properties

Randy Richardson

General Counsel, EDGE and Related Entities

Mark E. Beutelschies
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Carmen Franklin, Sr. Administrative Assistant
Eric Harris, Crew Person
John Lawrence, Manager, Strategic Economic Development Planning
Emmett McKnight, Economic Development Assistant
James Parker, Crew Chief
Danielle Schonbaum, Manager, Continuous Improvement & Evaluation, GMACW
Sam Small, Operations Manager
Mark Summerford, Crew Chief