JOINT CITY/COUNTY
PYRAMID COMMITTEE

Add-on

Resolution recommending the approval of the Development Agreement between the City of Memphis, Tennessee, Shelby County, Tennessee and Bass Pro Memphis Development Company, LLC, as presented to the City Council and County Commission on August 25, 2008.

WHEREAS, the City and County jointly appointed the original Pyramid Reuse Committee in May of 2004; and

WHEREAS, said Committee did consider numerous uses for the Pyramid facility and did conclude that the best economic impact could be created by destination retail; and

WHEREAS, it was the conclusion of the Committee, based on recommendation of its national consultants, that Bass Pro Shops was the best prospect for the Pyramid; and

WHEREAS, a letter of intent was signed with Bass Pro Shops in December of 2005 to take possession of the Pyramid with a target date of June 30, 2006; and

WHEREAS, following a period of due diligence, a second letter of intent was signed in June, 2007; and

WHEREAS, additional proposals for development were brought before the City Council and County Commission, including a theme park proposal by the Ericson Group and the City Council and County Commission appointed a second committee in March, 2008 (The Joint City/County Pyramid Committee) to review the two or more proposals and make a recommendation to the City Council and County Commission; and

WHEREAS, the Joint City/County Pyramid Committee did review the proposals and did engage accounting professionals to assist in the analysis of the Bass Pro Shops and Ericson Group's financial ability to perform as detailed in their respective proposals (the Ericson Group chose not to participate in this analysis); and

WHEREAS, Joint Committee members did receive a presentation of the proposed Development Agreement by the law firm of Glankler Brown on August 7, 2008; and

WHEREAS, the Development Agreement (Exhibit A) calls for a twelve month development period with quarterly milestones, monthly payments from Bass Pro of $35,000, completion of the design work, and all other work necessary to complete negotiations related to the Lease and Improvement Agreements referred to therein, as well as calling for a $500,000 payment for liquidated damages in the event that the project is deemed economically unfeasible; and

WHEREAS, The Bass Pro Shops will provide a substantial and much needed economic stimulus to the downtown/uptown area;

NOW, THEREFORE, BE IT RESOLVED BY THE JOINT CITY/COUNTY PYRAMID COMMITTEE, SHELBY COUNTY, TENNESSEE, That the Development Agreement between The City of Memphis, Tennessee, Shelby County, Tennessee and Bass Pro Memphis Development Company, LLC is hereby recommended to the Memphis City Council and Shelby County Commission for approval.

Reid Hedgepeth, Councilman
Memphis City Council

Deidre Malone, Chairman
Shelby County Commission

Robert Lipscomb

James Huntzicker

ADOPTED: 10-2-08