

Union Station

1925 Union Ave.
Memphis, TN 38104

CITY COUNCIL PRESENTATION

Union Station Development Partnership

"We are ready to go"

Presented to:
The City of Memphis
125 N. Main Street, Room 568
Memphis, TN 38103

July 20, 2021



"We are ready to go"

Partnership Entity/Management

Union Station Development Partnership is to be a formed entity and a collaboration between two locally owned companies: G2 Venture Group, LLC and Patton and Taylor Enterprises, LLC

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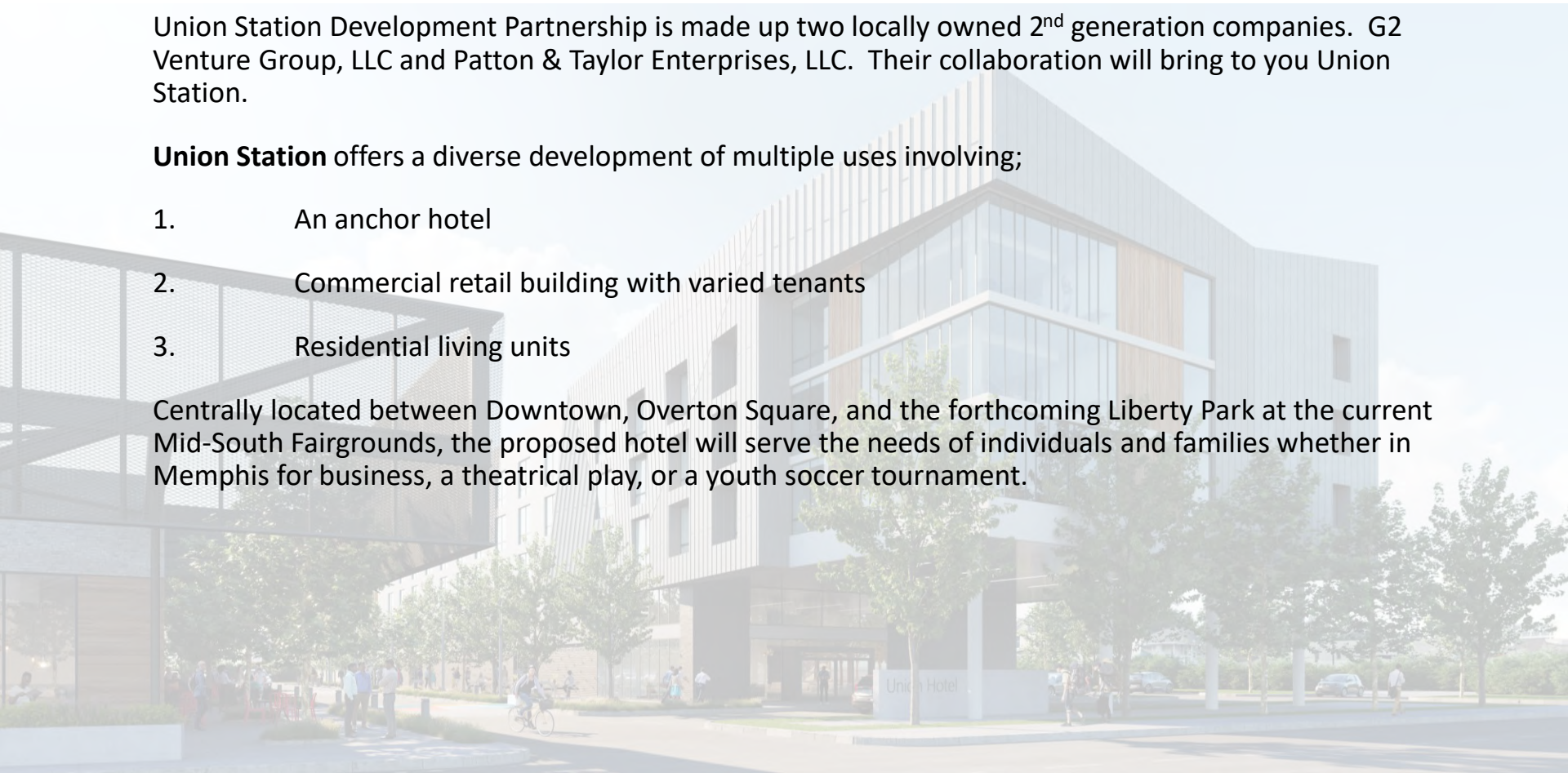
Union Station | Project Proposal

Union Station Development Partnership is made up two locally owned 2nd generation companies. G2 Venture Group, LLC and Patton & Taylor Enterprises, LLC. Their collaboration will bring to you Union Station.

Union Station offers a diverse development of multiple uses involving;

1. An anchor hotel
2. Commercial retail building with varied tenants
3. Residential living units

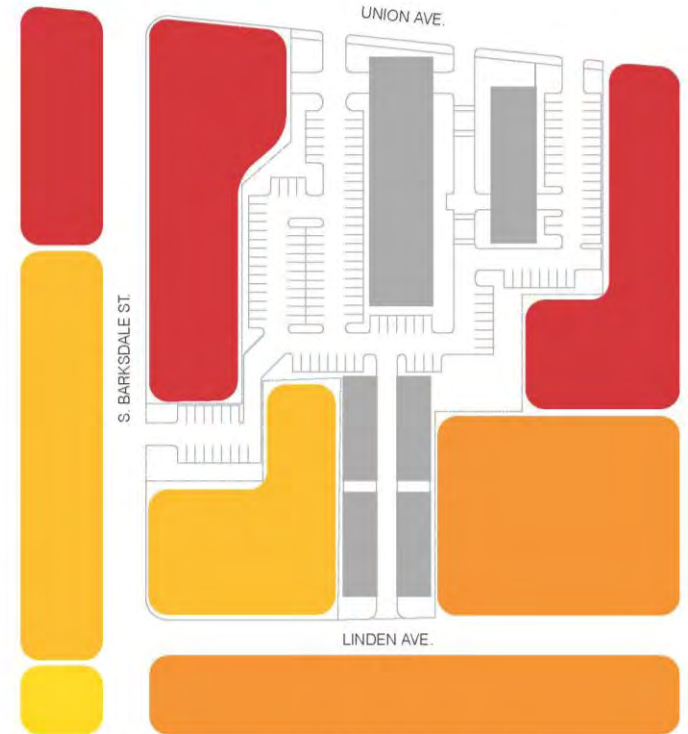
Centrally located between Downtown, Overton Square, and the forthcoming Liberty Park at the current Mid-South Fairgrounds, the proposed hotel will serve the needs of individuals and families whether in Memphis for business, a theatrical play, or a youth soccer tournament.



Union Station | Diagrams



Site Boundaries Within Context



CONTEXTUAL ZONING USES

- Commercial: Business/Shopping/Services
- Residential (RU-3): Urban
- Residential (R-6): Single Family
- Residential (R-1): Urban

Union Station | Aerial

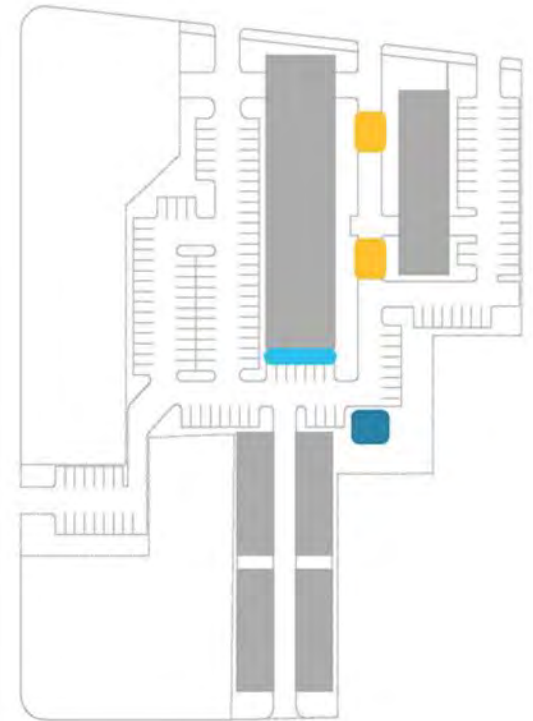
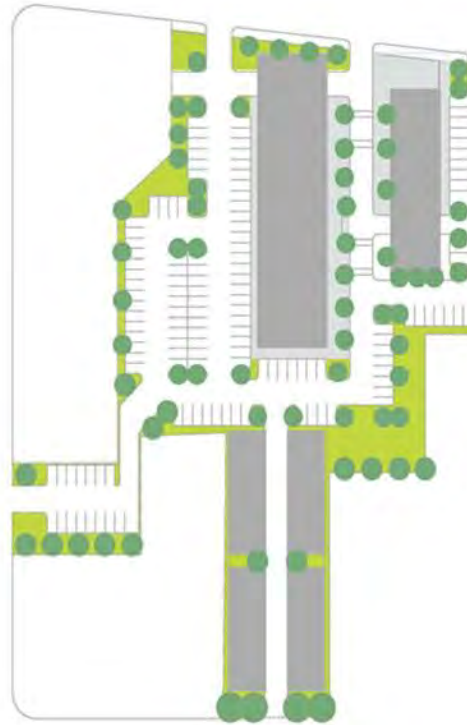
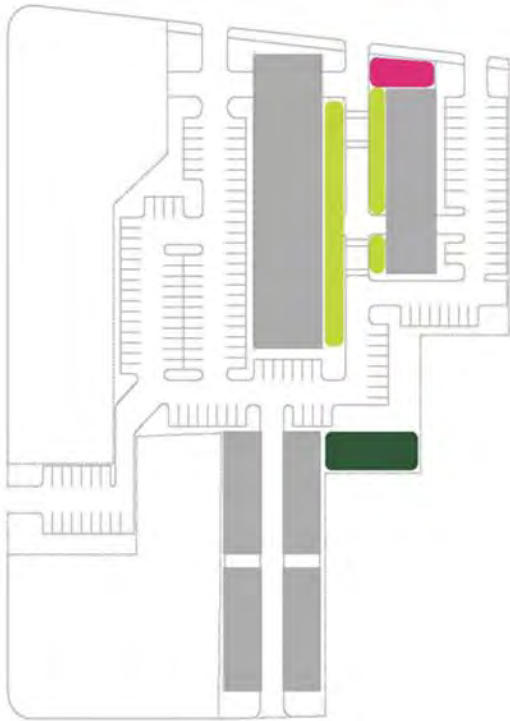


Union Station | Site Plan



- ① Hotel Building
 - 19,600 sqft
 - 120+ rooms
 - Restaurant / Indoor Swimming
- ② Commercial | Retail Building
 - 8,750 sqft
 - 6 Tenant Spaces
 - Internal Drive-Thru Option
- ③ Condo/Apartment Buildings
 - 32 Living Units
 - 950 sqft per living unit
 - Designated Covered Parking
- ④ Internal Drive-Thru
- ⑤ Public Art | Crosswalk Mural
- ⑥ Scooter/Bicycle Parking
- ⑦ Drive to Adjacent Property
- ⑧ Outdoor Public Gathering
 - Outdoor dining
 - Outdoor Lounge Seating
- ⑨ Outdoor Dining Space
 - Restaurant Front Porch

Union Station | Diagrams






OUTDOOR GATHERING SPACES

-  Pedestrian Plaza / Patio
-  Covered Outdoor Dining
-  Dog Park

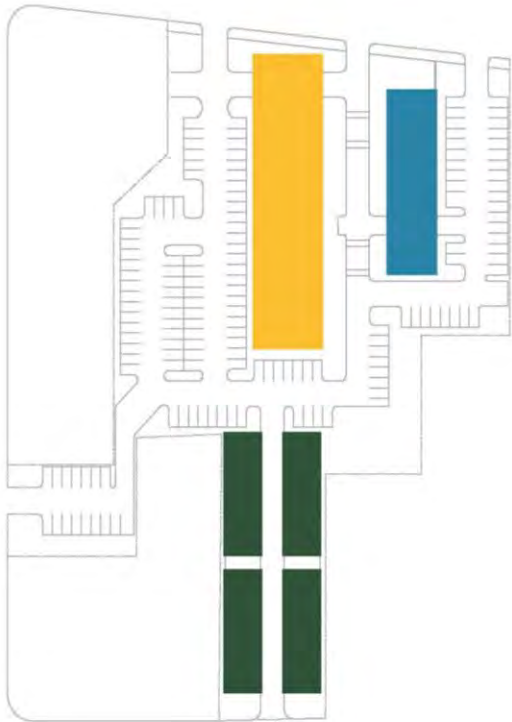
GREENSPACE

-  Grass / Landscape Plantings
-  Trees

PUBLIC ART INSTALLATIONS

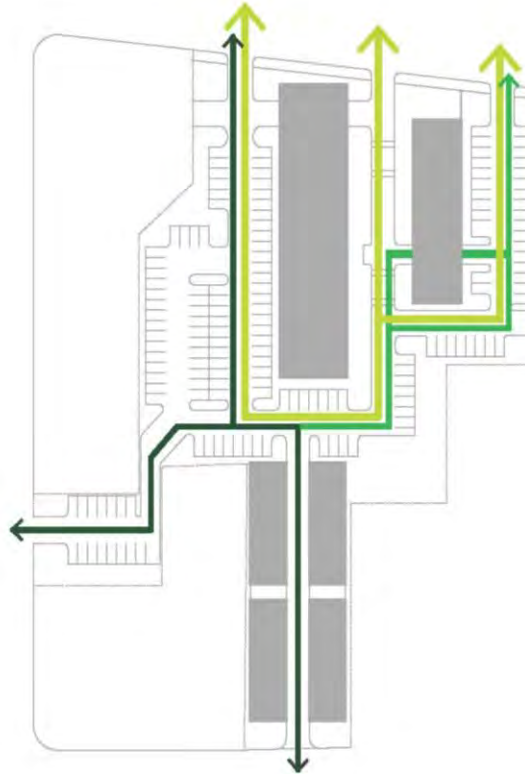
-  Crosswalk Mural
-  Monumental Sculpture
-  Accent Wall Mural

Union Station | Diagrams



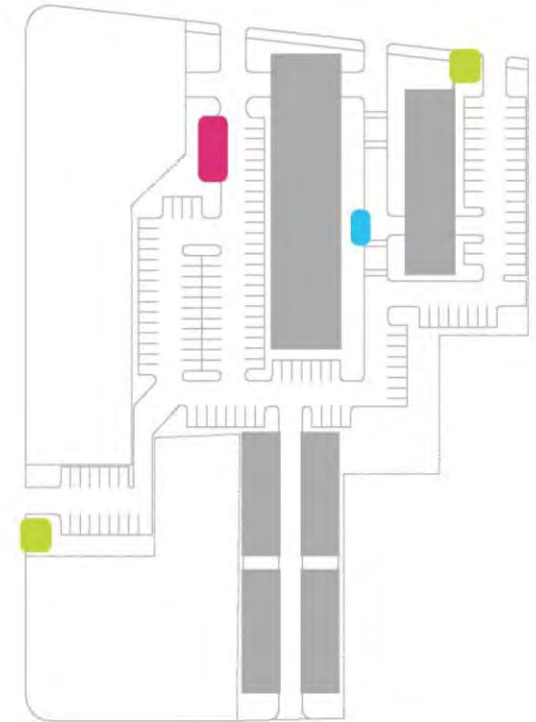
SITE USES

- Commercial: Business/Hospitality
- Commercial: Shopping/Services
- Residential (RU-3): Urban



TRAFFIC PATTERNS

- Primary Traffic: Heavy
- Primary Traffic: Moderate
- Secondary Traffic: Light



TRANSPORTATION NODES

- Bus Stop / Shelter
- Electric Car Charging Station
- Bicycle / Scooter Parking

Union Station | Union Ave.



Union Station | Pedestrian Plazas / Patios



Union Station | Union Ave. (at dusk)



Union Station | Living Unit Arrival



Special Zoning

The Apartments and Hotel will require a Special Use Permit from the Memphis City Council and/or, if any zoning variances are needed for the project, we can apply for a Planned Development. It would involve at minimum two public hearings (one at Council after one by the Land Use Control Board).

Also, see attached zoning map. The (H) suffix means those parts of the site are within the Landmarks Commission's jurisdiction. So that'd would be a third public hearing.

Access to Linden is critical to providing neighborhood access as per Memphis 3.0. If necessary, we may have to limit access from Linden to Living Units only.



Experience - Qualifications of the Proposer

G2 Ventures Group / Hospitality Builders of America is a diversified minority owned real estate development organization with a key focus in the hospitality industry. Our company was established in 1992 and is responsible for the ownership, development, and redevelopment of many properties. We strive to deliver reliable, genuinely caring and timely service in an effort to maximize the interest of all stakeholders.

Patton Taylor Enterprises is a second-generation general contractor located in the beautiful city of Memphis. Our specialties include commercial, mixed-use and multifamily construction. Licensed in Tennessee, Arkansas and Mississippi Patton & Taylor's reach covers most of the mid-south area. Almost all of our staff have been with us since inception including two with LEED accreditation. Let us put our 25 years of experience to deliver your project on time and under budget.

Brokers, Sub-Contractors & Consultants

STATEMENT ON MINORITY PARTICIPATION

Our partnership is committed to make the best efforts to have thirty (30%) percent minimum minority and women sub-contractor participation on this project during construction.

Our group has, in the past, shown the ability to do this on multiple projects.

Note: G2Ventures and its subsidiary Hospitality Builders of America are 100% minority owned and will have a majority stake ownership in the partnership.

Construction Budget

Hotel Budget Excluding Land	\$ 11,869,500
Living Units Budget Excluding Land	\$ 4,709,000
Retail Budget Excluding Land	<u>\$ 2,028,250</u>
Total Budget Excluding Land	\$ 18,606,750
Estimated Land Cost	\$ 3,500,000
Buyers Side Brokers Commission	<u>\$ 80,000</u>
Total Budget	\$ 22,186,750

Project Economic Impact on Liberty Park TDZ & City of Memphis (Excluding Property Tax)

Union Station is located within the Liberty Park TDZ with captures all incremental sales and hotel tax for the TDZ and additional hotel fees that goes to the City of Memphis!

HOTEL 10 YEAR PROJECTION

Sales Tax Revenue											
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Gross Revenue from Lodging Sales	\$ 2,615,681	\$ 2,901,394	\$ 3,201,896	\$ 3,396,891	\$ 3,713,934	\$ 3,713,934	\$ 3,713,934	\$ 3,713,934	\$ 3,713,934	\$ 3,713,934	\$ 3,713,934
Total Annual Room Nights	24,911	26,828	28,744	29,606	31,427	31,427	31,427	31,427	31,427	31,427	31,427
Sales Tax											
- State Sales Tax	7.00%	\$ 183,098	\$ 203,098	\$ 224,133	\$ 237,782	\$ 259,975	\$ 259,975	\$ 259,975	\$ 259,975	\$ 259,975	\$ 259,975
- City Sales Tax	2.75%	\$ 71,931	\$ 79,788	\$ 88,052	\$ 93,415	\$ 102,133	\$ 102,133	\$ 102,133	\$ 102,133	\$ 102,133	\$ 102,133
- County Sales Tax	5.00%	\$ 130,784	\$ 145,070	\$ 160,095	\$ 169,845	\$ 185,697	\$ 185,697	\$ 185,697	\$ 185,697	\$ 185,697	\$ 185,697
- City Occupancy Tax	3.50%	\$ 91,549	\$ 101,549	\$ 112,066	\$ 118,891	\$ 129,988	\$ 129,988	\$ 129,988	\$ 129,988	\$ 129,988	\$ 129,988
- City TID Assessment	\$ 2.00	\$ 49,823	\$ 53,655	\$ 57,488	\$ 59,212	\$ 62,853	\$ 62,853	\$ 62,853	\$ 62,853	\$ 62,853	\$ 62,853
	\$	\$ 527,184	\$ 583,159	\$ 641,833	\$ 679,145	\$ 740,646	\$ 740,646	\$ 740,646	\$ 740,646	\$ 740,646	\$ 740,646

Estimated Total Sales / Hotel Tax Revenue years 1-10 \$ 6,875,197

Project Economic Impact on Liberty Park TDZ & City of Memphis (Excluding Property Tax)

RETAIL SALES TAX REVENUE

Estimated retail sales at \$ 4,250,000 (\$500 PSF) Per Annum for 10 years is \$ 42,500,000 at 9.75% creates a Sales Tax revenue years 1-10 of \$ 4,143,750

Total Economic Impact for Retail Sales and Hotel Tax in years 1-10 is

\$11,018,947 and/or \$ 1,101,894 Per Year

Were Accountable?

1. Local Memphians
2. Proven track record to meet minority and women participation of at least 30%
3. As local developers we live with what we build
4. With in-house construction departments we know that we can deliver
5. Accountable to the city and communities we build in
6. Committed to delivering a quality product that is inline with all the community stakeholders

"We are ready to go"

QUESTIONS AND ANSWERS

