

## **Resolution Establishing a Park Restoration Fund and Reallocating and Reappropriating \$500,000 from the FY23 CIP**

**WHEREAS**, the City of Memphis has made a significant investment in the restoration of Tom Lee Park, an invaluable public park and riverfront asset (the “Park”); and

**WHEREAS**, a newly renovated park and its amenities, particularly young growth vegetation and infrastructure, are most vulnerable to damage in the first two years of its renovation; and

**WHEREAS**, the Park has been the home to a world famous festival, Memphis in May (the “Festival”), which brings thousands of people to the Park, and it is anticipated that Memphis in May will be held at the Park in years 2023 and 2024; and

**WHEREAS**, the newly improved Park will require a modified/new approach to Festival operations, as Park and Festival operators figure out how to “load-in” and integrate a festival into a reconfigured Park with more “damageable” amenities; and

**WHEREAS**, the City desires to mitigate risk to the vegetation and physical infrastructure, and also to minimize financial risk to both the Park and Festival operator; and

**WHEREAS**, the Memphis City Council, through the FY23 budget, allocated \$5.5M for the purposes of improvements to Mud Island; and

**WHEREAS**, uses for the \$5.5M allocated to Mud Island have yet to be identified; and

**WHEREAS**, the City of Memphis proposes to establish a \$500,000 Park Restoration Fund (“Fund”) that will be used to cover expenses to repair or mitigate damage resulting from the Festival for the first two years following the renovation, to operate as follows:

- a. The source of funds will be \$500,000 of the \$5.5M of FY23 CIP funds that were appropriated for the renovation of Mud Island.
- b. The City will assign \$350,000 of the restoration fund to year 1 (2023), and \$150,000 of the restoration to year 2 (2024).
- c. The Fund money will be the first dollars used to restore the Park from any Festival damage in 2023 and 2024.
- d. The Festival operator will be required to submit a damage deposit each year in the amount of \$250,000, to cover the costs of repairs in excess of the amount provided for annually in the Fund, but if costs to repair damage resulting from the Festival do not exceed the amount of the City’s Fund balance for either of the first two years, then none of the Festival operator’s damage deposit will be drawn upon to correct the damage.
- e. The use of the Funds is permissive, and the City of Memphis will have sole discretion to approve payment of restoration funds for damage incurred by the Festival, and may, at its sole discretion, exclude any damage caused by willful/ wanton destruction of property, or damage incurred due to gross negligence of the Festival operator. In the event the City does not distribute all of the money from the Fund in any given year for these

reasons, the deposit from the Festival Operator should be used to cover the cost of repairs.

- f. Should damages exceed the annual contribution by the City, plus the damage deposit by the Festival operator, the Memphis River Parks Partnership shall fund the balance of the restoration.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEMPHIS** that the Chief Financial Officer shall create a "Park Restoration Fund," to be funded by allocating and appropriating \$500,000 from the FY23 CIP budget from Mud Island; and the funds from the Park Restoration Fund shall be distributed consistent with the manner described herein.

Sponsor:

Chair Martavius Jones  
Councilman Chase Carlisle  
City Administration