

WHEREAS, the Memphis City Council deems it fitting to recognize and celebrate the rich histories, cultures, traditions, and contributions of the Hispanic and Latino communities whose enduring influence has strengthened the City of Memphis and communities throughout the United States; and

WHEREAS, Hispanic Heritage Month is observed annually from September 15 through October 15 and honors the histories, cultures, and contributions of Americans whose heritage is rooted in Spain, Mexico, the Caribbean, Central America, and South America; and

WHEREAS, the observance began in 1968 as Hispanic Heritage Week and was expanded in 1988 to a 30-day celebration, with September 15 holding particular significance as the anniversary of independence for Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, followed by the independence celebrations of Mexico on September 16 and Chile on September 18; and

WHEREAS, generations of Hispanic and Latino Americans have enriched the social, cultural, and economic fabric of our nation through their achievements and contributions in business, education, public service, the arts, science, healthcare, entrepreneurship, and countless other fields; and

WHEREAS, the Hispanic and Latino community is an important part of the fabric of Memphis, with individuals, families, entrepreneurs, organizations, and community leaders contributing their talents, traditions, perspectives, and service to the continued growth and vitality of our city; and

WHEREAS, Hispanic Heritage Month provides an opportunity to celebrate the diverse cultures and traditions represented throughout the Hispanic and Latino communities while recognizing the generations whose hard work, leadership, innovation, and service have helped shape Memphis and our nation; and

WHEREAS, the Memphis City Council proudly joins communities across the country in celebrating **Hispanic Heritage Month** and recognizing the many Hispanic and Latino Memphians whose contributions continue to strengthen our neighborhoods, enrich our culture, support our economy, and help shape the future of our city.

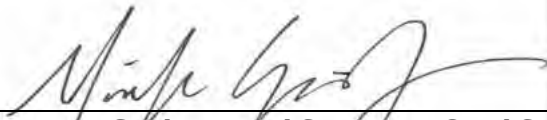
NOW, THEREFORE, BE IT RESOLVED that the Memphis City Council hereby recognizes September 15 through October 15, 2026, as

Hispanic Heritage Month

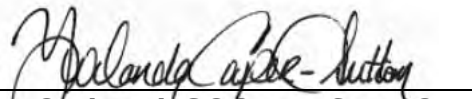
and honors the history, heritage, achievements, and lasting contributions of Hispanic and Latino Americans to Memphis and the United States.

Adopted October 6, 2026:

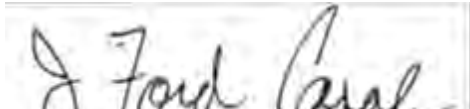
MEMPHIS CITY COUNCIL MEMBERS



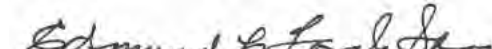
DR. MICHALYN EASTER-THOMAS



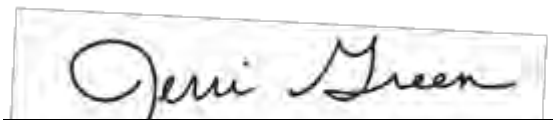
YOLANDA COOPER-SUTTON



FORD CANALE



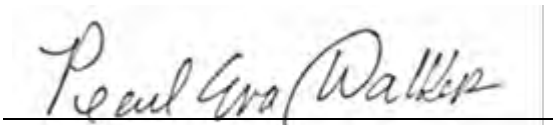
EDMUND FORD, SR.



JERRI GREEN



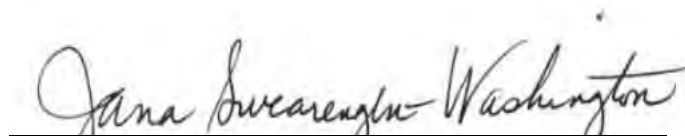
JB SMILEY, JR.



PEARL EVA WALKER



JEFF WARREN



JANA SWEARENGEN-WASHINGTON
CHAIRWOMAN

WHEREAS, when worthy circumstances arise, the Memphis City Council has seen fit to name certain public roads to honor citizens who have served the City of Memphis, and **Bishop Gregory M. Askew, Sr.**, is certainly befitting of this great honor; and

WHEREAS, Bishop Gregory M. Askew, Sr. is a graduate of Northside High School, The University of Arkansas at Pine Bluff, and the University of Memphis. Bishop Askew is known for his academic achievements, compassion, wisdom, and unwavering faith, which have guided him personally and professionally; and

WHEREAS, Bishop Gregory M. Askew, Sr. received his call to preach the Gospel of Jesus Christ at nineteen. He served under the leadership of Bishop GE Patterson as assistant Pastor of Temple of Deliverance. In December 2001, Bishop JL Maynard, the Jurisdictional Prelate of Tennessee Fourth, appointed him as pastor of Jubilee Church of God in Christ. Under his leadership, Jubilee has grown to over six hundred active members. The Jubilee Church is a beacon of light in the Raleigh-Bartlett area of Memphis, TN; and

WHEREAS, Bishop Gregory M. Askew, Sr. during the challenging economic trials of 2010 through 2013, under Pastor Askew's leadership, Jubilee COGIC led a free feeding program that provided food for the hungry. Thousands of Memphians and people from surrounding cities benefited from the free food given daily. Bishop Askew's leadership has not only grown the church but also made a significant impact on the community, providing hope and sustenance during difficult times; and

WHEREAS, Bishop Gregory M. Askew, Sr. commitment to the Church of God in Christ at the State and National levels is unwavering. He has been the YPWW President and Chairman of the TN 4th Jurisdictional AIM. From 2000 through 2005, he worked as the Assistant General Secretary of Information Technologies under the auspices of the late Elder AZ Hall, Jr., General Secretary. He has also been a National Adjutant in the Church. Bishop Askew serves as an Administrative Assistant to Bishop JL Maynard of the Tennessee Fourth Jurisdiction, Superintendent of the UE Miller Memorial District, and Jurisdictional Overseer. His loyalty and dedication to the Church are a cornerstone of his life's work; and

WHEREAS, Bishop Gregory M. Askew, Sr. for more than 46 years, has extended his ministry beyond the walls of the church. His service has reached hospitals, schools, college campuses, law enforcement agencies, apartment communities, nursing homes, families in need, young people pursuing their education, and individuals facing some of life's most difficult circumstances.

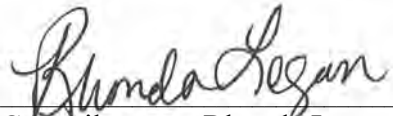
NOW THEREFORE, BE IT RESOLVED by the Memphis City Council that Stage Road between Coleman Road and Fargo Road be declared

Bishop Gregory M. Askew, Sr. Street

in honor of his exceptional contributions to the Memphis community.

BE IT FURTHER RESOLVED that the City Engineer is requested to affix suitable signs designating this public road.

Adopted: Tuesday, October 6, 2026



Councilwoman Rhonda Logan
Memphis City Council, District 1

WHEREAS, on occasion, the Memphis City Council sees fit to memorialize those whose remarkable lives leave a lasting impact on their families, the City of Memphis and even the world, and **Dr. Murray Heimberg** is one such Memphian; and

WHEREAS, growing up in Brighton Beach, New York with a father stricken with Parkinson's disease, **Murray Heimberg** began working to support his family at age 10; academically gifted and graduating high school at age 16, he nevertheless had to work on a farm to pay for instruction at Cornell University; and

WHEREAS, shortly after entering Cornell, Mr. Heimberg enlisted in the U.S. Army at 18 years old; assigned to the 84th Infantry Division, he was sent to the European Theater of World War II; in late 1944, his unit was decimated in a fight with Nazi troops in the Rhineland region of Germany; the unit surrendered and a wounded **Murray Heimberg** was taken along with his surviving unit members to a Nazi Prisoner Of War camp; and

WHEREAS, Mr. Heimberg escaped from the prison camp shortly before the end of World War II and made his way to Russian lines; he was sent to a U.S. camp in France where he met General Dwight D. Eisenhower, then back to the United States; and

WHEREAS, after his discharge from the military, **Murray Heimberg** returned to Cornell, where he earned a Master's Degree, then went on to get a Ph.D. in Biochemistry and Nutrition from Duke University; he became an assistant professor at Vanderbilt University and went on to get an M.D; and

WHEREAS, **Dr. Murray Heimburg** chaired the Department of Pharmacology at the University of Missouri, then came to Memphis in 1980 to head the Pharmacology Department at the University of Tennessee Health Science Center; and

WHEREAS, Dr. Heimberg helped to prove cholesterol's effect on the body and create a field of medicine for the treatment of metabolic disorders; in 1985, he and one of his former physician trainees started the first lipids clinic in Tennessee; he would go on to practice medicine until retiring at age 93, and continued consulting until shortly before his death; he passed away in November 2025, two months shy of his 101st birthday; and

WHEREAS, despite his considerable achievements, Dr. Heimberg remained humble, consistently showing interest in his students, colleagues and trainees; one colleague remembered that Dr. Heimberg's office was decorated with photographs of his trainees, who were practicing medicine throughout the world; he was also a devoted husband, loving father, kind neighbor and generous donor to charities;

NOW, THEREFORE, BE IT RESOLVED that, though ink and parchment are most inadequate to commemorate such a life of perseverance, achievement and contribution to humanity, the Memphis City Council nonetheless does inscribe these words with honor and respect as we remember

Dr. Murray Heimberg

and commend his example to all the citizens of Memphis.

Adopted: October 6, 2026

RESOLUTION SUMMARY

1. Short Title Description - ELECTRIC

TDOT Utility Relocation Contract (Chapter 86)

Project: SR-4 (Lamar Ave.) From South of Shelby Drive to Near Raines/Perkins Road Interchange (IA) (TMA); R-NH-4(11)

TDOT Pin#: 100339.02, TDOT Contract #: 9650

2. Requested Funding - \$1,488,978.78

3. Award Duration - Final Invoice (Lamar Ph. 2)

4. Type of Bid - N/A

5. Awarded To - Tennessee Department of Transportation (TDOT)

Finance Division

ATTN: Jeffrey Albritton

**312 Rosa L. Parks Avenue, 20th Floor - Finance
Nashville, TN 37243**

6. Plain Language Description - State contract for which the utility is responsible for and is obligated to pay the State the estimated balance.

7. Impact - This invoice includes cost incurred and payment received as of the invoice date. The cost is MLGW (Electric) share of costs less: prior deposits/payments and less interest.

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026, approved the invoice payment for construction services with the Tennessee Department of Transportation (TDOT) for the Lamar Avenue Phase 2 Street Improvement Project (SP 03.10) in the amount of \$1,488,978.78, and is now recommending to the Council of the City of Memphis that it approve said invoice payment as approved; and

WHEREAS, MLGW entered into a contract with TDOT, which allows TDOT to relocate MLGW electric distribution infrastructure including material, labor and equipment, as part of their roadway construction to accommodate this project, and

WHEREAS, this request is for payment made to TDOT in the funded amount of \$1,488,978.78.

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved the recommendation of the payment made to TDOT in the funded amount of \$1,488,978.78 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

Presented for consideration of the Board, invoice payment to Tennessee Department of Transportation (TDOT) for the Lamar Avenue Phase 2 Street Improvement Project (SP 03.10) in the amount of \$1,488,978.78

MLGW entered into a contract with TDOT, which allows TDOT to relocate MLGW Electric distribution infrastructure including material, labor and equipment, as part of their roadway construction to accommodate this project.

TDOT submitted their closeout balance invoice on June 8, 2026, said payment had to be submitted before the requisite Board and Council approvals. This request is for payment made to TDOT in the funded amount of \$1,488,978.78.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the invoice submitted from TDOT for Construction Services in the funded amount of \$1,488,978.78, as outlined in the foregoing preamble, is approved.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:



C84E2E63D610415...

VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12346 – MLGW Utility Relocations for Street Improvement Project (Electric)**
- 2. Requested Funding – \$250,000.00**
- 3. Award Duration – Ratification, Increase, and the Third of Four (4) renewals (August 21, 2026 through August 20, 2027)**
- 4. Type of Bid – RFQ**
- 5. Awarded To – Allen & Hoshall, Inc.**
- 6. Plain Language Description – This is to provide professional engineering services to MLGW for Tennessee Department of Transportation (TDOT) projects.**
- 7. Impact – The need exists to supplement MLGW's engineering staff, on an as-needed basis, for the design and relocation of the Division's distribution facilities impacted by TDOT street improvement projects.**

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026 approved the Ratification, Increase and Renewal (*Change No. 3*) to Contract No.12346, MLGW Utility Relocations for Street Improvement Project (Electric) with Allen & Hoshall, Inc. to ratify, increase and renew the current contract in the funded amount of \$250,000.00, and is now recommending to the Council of the City of Memphis that it approves said ratification, increase and renewal as approved; and

WHEREAS, the project scope is to provide professional design engineering services to design and engineer the relocation of MLGW's electric distribution facilities. These relocations are due to street improvement projects. Projects can be initiated by the City of Memphis, Shelby County, local municipalities, and/or TDOT. This contract award was based on the Request for Qualifications ("RFQ") evaluation process; and

WHEREAS, this change is to ratify, increase and renew the current contract for the third of four (4) annual renewals for the period covering August 21, 2026 through August 20, 2027. As part of the negotiated terms for the upcoming contract period, the agreed upon rates include a 15% increase. The negotiated rate adjustment accounts for labor, economic market escalations, and rising operating costs. In addition to the negotiated rate adjustment, MLGW is requesting a \$250,000.00 increase in the contract value. Under the Chapter-86 statute for utility relocations, TDOT will reimburse MLGW for eligible engineering consultant costs up to \$1.75 million per utility, per project. This reimbursement provision applies to eligible utility relocation projects and provides for recovery of qualifying engineering consultant expenses in accordance with applicable TDOT requirements. This ratification, increase, and renewal comply with all applicable laws and policies. The new contract value is \$750,000.00; and

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis, that there be and is hereby approved the Ratification, Increase and Renewal (*Change No. 3*) to Contract No. 12346, MLGW Utility Relocations for Street Improvement Project (Electric) with Allen & Hoshall, Inc. to ratify, increase and renew the current contract in the funded amount of \$250,000.00 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts & Strategic Sourcing recommends to the Board of Light, Gas and Water Commissioners the approval of the Ratification, Increase and Renewal (*Change No. 3*) to Contract No.12346, MLGW Utility Relocations for Street Improvement Project (Electric) with Allen & Hoshall, Inc. to ratify, increase and renew the current contract in the funded amount of \$250,000.00.

The project scope is to provide professional design engineering services to design and engineer the relocation of MLGW's electric distribution facilities. These relocations are due to street improvement projects. Projects can be initiated by the City of Memphis, Shelby County, local municipalities, and/or TDOT. This contract award was based on the Request for Qualifications ("RFQ") evaluation process.

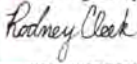
This change is to ratify, increase and renew the current contract for the third of four (4) annual renewals for the period covering August 21, 2026 through August 20, 2027. As part of the negotiated terms for the upcoming contract period, the agreed upon rates include a 15% increase. The negotiated rate adjustment accounts for labor, economic market escalations, and rising operating costs. In addition to the negotiated rate adjustment, MLGW is requesting a \$250,000.00 increase in the contract value. Under the Chapter-86 statute for utility relocations, TDOT will reimburse MLGW for eligible engineering consultant costs up to \$1.75 million per utility, per project. This reimbursement provision applies to eligible utility relocation projects and provides for recovery of qualifying engineering consultant expenses in accordance with applicable TDOT requirements. This ratification, increase, and renewal comply with all applicable laws and policies. The new contract value is \$750,000.00.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of the Ratification, Increase and Renewal (*Change No. 3*) to Contract No. 12346, MLGW Utility Relocations for Street Improvement Project (Electric) with Allen & Hoshall, Inc. to ratify, increase and renew the current contract in the funded amount of \$250,000.00, as outlined in the foregoing preamble, is approved and further,

THAT, the President, or his designated representative is authorized to execute the Ratification, Increase and Renewal.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:

C84E2E63D610415
VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12435 – External Corrosion Direct Assessment (ECDA)**
- 2. Requested Funding – \$228,000.00**
- 3. Award Duration – Increase and Third of four (4) annual renewals (January 1, 2027 through December 31, 2027)**
- 4. Type of Bid – Sealed Bid**
- 5. Awarded To – Integrity Solutions Field Services, Inc.**
- 6. Plain Language Description – This change is to renew the contract to conduct External Corrosion Direct Assessment (ECDA) survey gas transmission pipelines.**
- 7. Impact – Integrity Solutions Field Services conducts External Corrosion Direct Assessment (ECDA) surveys for MLGW gas transmission pipelines to ensure compliance and to conform to the latest revision of US DOT PHMSA requirements in 49 CFR Part 192.**

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026 approved the Increase and Renewal (*Change No. 3*) to Contract No. 12435, External Corrosion Direct Assessment (ECDA) with Integrity Solutions Field Services, Inc. to increase and renew the current contract and is now recommending to the Council of the City of Memphis that it approves said increase and renewal as approved; and

WHEREAS, the project scope is to furnish all supervision, labor, transportation, materials, equipment, tools and supplies to conduct an External Corrosion Direct Assessment (ECDA) inspection/survey of 35 miles of MLGW's Natural Gas Pipeline to meet all DOT 49 CFR part 192 Federal Regulations. The contract award was selected based on the lowest and best bid using the Sealed Bid process; and

WHEREAS, this change is to increase and renew the current contract for the third of four (4) annual renewal terms for the period covering January 1, 2027 through December 31, 2027 in the amount of \$228,000.00 with no increase in rates from the previous term. This increase and renewal complies with all applicable laws and policies. The new contract value is \$912,000.00; and

NOW THEREFORE BE IT RESOLVED BY THE Council of the City of Memphis, that there be and is hereby approved the Increase and Renewal (*Change No. 3*) to Contract No. 12435, External Corrosion Direct Assessment (ECDA) with Integrity Solutions Field Services, Inc. to increase and renew the current contract in the funded amount of \$228,000.00 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Manager of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners the approval of the Increase and Renewal (*Change No. 3*) to Contract No. 12435, External Corrosion Direct Assessment (ECDA) with Integrity Solutions Field Services, Inc. to increase and renew the current contract in the funded amount of \$228,000.00.

The project scope is to furnish all supervision, labor, transportation, materials, equipment, tools and supplies to conduct an External Corrosion Direct Assessment (ECDA) inspection/survey of 35 miles of MLGW's Natural Gas Pipeline to meet all DOT 49 CFR part 192 Federal Regulations. The contract award was selected based on the lowest and best bid using the Sealed Bid process.

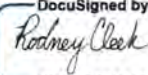
This change is to increase and renew the current contract for the third of four (4) annual renewal terms for the period covering January 1, 2027 through December 31, 2027 in the amount of \$228,000.00 with no increase in rates from the previous term. This increase and renewal complies with all applicable laws and policies. The new contract value is \$912,000.00.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of the Increase and Renewal (*Change No. 3*) to Contract No. 12435, External Corrosion Direct Assessment (ECDA) with Integrity Solutions Field Services, Inc. to increase and renew the current contract in the funded amount of \$228,000.00 as outlined in the above preamble, is approved; and further

THAT, the President or his designated representative is authorized to execute the Increase and Renewal.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:


C84E2E63D610415

VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12286 – MLGW Utility Payment Centers**
- 2. Requested Funding – \$261,531.00**
- 3. Award Duration – Increase and Extension (May 15, 2027 through May 14, 2028)**
- 4. Type of Bid – RFP**
- 5. Awarded To – FirsTech, Incorporated**
- 6. Plain Language Description – This change is to extend the current contract for one (1) additional year to allow MLGW time to evaluate RFPs for a new Vendor/Solution.**
- 7. Impact – This extension will allow MLGW to maintain uninterrupted service from FirsTech, Incorporated for accepting third party vendor payments on MLGW's behalf.**

RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026 approved the Increase and Extension (*Change No. 5*) to Contract No. 12286, MLGW Utility Payment Centers with FirsTech, Incorporated to increase and extend the current contract in the funded amount of \$261,531.00, and is now recommending to the Council of the City of Memphis that it approves said increase and extension as approved; and

WHEREAS, the project scope is to provide authorized pay agents in Memphis and Shelby County, Tennessee to accept, process, and transmit MLGW customers' utility bill payments for credit to customer accounts and deposit to banks (cash, check, or money order). The contract award was based on the Request for Proposals ("RFP") selection process; and

WHEREAS, this change is to extend the current contract for an additional one (1) year period covering May 15, 2027 through May 14, 2028 and increase the contract value in the amount of \$261,531.00 with no increase in rates from the previous term. This extension is necessary to ensure uninterrupted payment processing for MLGW customers. Any lapse in service could negatively impact customer payment options, revenue collections, and daily utility operations. This extension will also provide sufficient time to evaluate future payment-processing solutions without disrupting critical business functions. This increase and extension complies with all applicable laws and policies. The new contract value is \$1,569,570.00; and

NOW THEREFORE BE IT RESOLVED BY THE Council of the City of Memphis, that there be and is hereby approved the Increase and Extension (*Change No. 5*) to Contract No. 12286, MLGW Utility Payment Centers with FirsTech, Incorporated to increase and extend the current contract in the funded amount of \$261,531.00 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts & Strategic Sourcing recommends to the Board of Light, Gas and Water Commissioners the approval of the Increase and Extension (*Change No. 5*) to Contract No. 12286, MLGW Utility Payment Centers with FirsTech, Incorporated to increase and extend the current contract in the funded amount of \$261,531.00.

The project scope is to provide authorized pay agents in Memphis and Shelby County, Tennessee to accept, process, and transmit MLGW customers' utility bill payments for credit to customer accounts and deposit to banks (cash, check, or money order). The contract award was based on the Request for Proposals ("RFP") selection process.

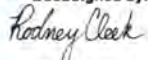
This change is to extend the current contract for an additional one (1) year period covering May 15, 2027 through May 14, 2028 and increase the contract value in the amount of \$261,531.00 with no increase in rates from the previous term. This extension is necessary to ensure uninterrupted payment processing for MLGW customers. Any lapse in service could negatively impact customer payment options, revenue collections, and daily utility operations. This extension will also provide sufficient time to evaluate future payment-processing solutions without disrupting critical business functions. This increase and extension complies with all applicable laws and policies. The new contract value is \$1,569,570.00.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of the Increase and Extension (*Change No. 5*) to Contract No. 12286, MLGW Utility Payment Centers with FirsTech, Incorporated to increase and extend the current contract in the funded amount of \$261,531.00, as outlined in the above preamble, is approved; and further,

THAT, the President, or his designated representative is authorized to execute the Increase and Extension.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:


CB4E2E63D610415.

VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

1. **Short Title Description** – Class 5 and Class 8 Bucket Trucks
2. **Requested Funding** – \$1,686,234.00
3. **Award Duration** – One-Time Purchase
4. **Type of Bid** – Utilizing Sourcewell Contract #110421-ALT
5. **Awarded To** – Altec Industries Incorporated
6. **Plain Language Description** – Division crews will utilize class 5 and class 8 bucket trucks to perform repairs on transformers and other electrical equipment affixed to utility poles and elevated platforms, to maintain reliable electric service.
 - 3– One-ton extended cab four-wheel drive with 40-foot aerial tower
 - 2 – Class 8 cab and chassis with two-man aerial towers and standard body
 - 2 – Class 8 cab and chassis
7. **Impact** – Procuring the vehicles enhances the reliability of field operations by ensuring crews are equipped with dependable units capable of supporting daily maintenance activities and emergency response. The class 5 and class 8 bucket trucks will replace older equipment based on criteria such as age, operational usage, and repair costs. Modernizing the fleet by acquiring new bucket trucks ensures delivery of consistent and dependable service.



RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026 approved the purchase of class 5 and class 8 bucket trucks and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, Division crews will utilize class 5 and class 8 bucket trucks to perform repairs on transformers and other electrical equipment affixed to utility poles and elevated platforms, to maintain reliable electric service. The bucket trucks will replace older equipment based on criteria such as age, operational usage, and repair costs; and

WHEREAS, a bid was opened on August 6, 2026. In accordance with Tennessee Code Annotated §12-3-1205, Cooperative Purchasing Agreements; MLGW is allowed to make purchases through cooperative purchasing agreements for the procurement of any goods, supplies, or equipment with one or more other governmental entities outside of this state to the extent the laws of the other state permit the joint purchasing authority. Sourcewell contract number 110421-ALT

will be utilized to procure the bucket trucks. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved the purchase of class 5 and class 8 bucket trucks from Altec Industries Incorporated in the amount of \$1,686,234.00 chargeable to subsequent budget year as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a purchase order for class 5 and class 8 bucket trucks to Altec Industries Incorporated in the amount of \$1,686,234.00.

Division crews will utilize class 5 and class 8 bucket trucks to perform repairs on transformers and other electrical equipment affixed to utility poles and elevated platforms, to maintain reliable electric service. The bucket trucks will replace older equipment based on criteria such as age, operational usage, and repair costs.

A bid was opened on August 6, 2026. In accordance with Tennessee Code Annotated §12-3-1205, Cooperative Purchasing Agreements; MLGW is allowed to make purchases through cooperative purchasing agreements for the procurement of any goods, supplies, or equipment with one or more other governmental entities outside of this state to the extent the laws of the other state permit the joint purchasing authority. Sourcewell contract number 110421-ALT will be utilized to procure the bucket trucks. This award complies with all applicable laws and policies.

The 2026 budgeted amount for Transportation / Vehicle Acquisition and Training is \$12,243,000.00; the amount spent year-to-date is \$1,737,925.59; leaving a balance available of \$10,505,074.41; of which \$1,686,234.00 will be spent in subsequent budget year as approved; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a purchase order to Altec Industries Incorporated is approved for furnishing:

3 – Class 5 extended cab and chassis, four-wheel-drive, with a 60-inch clear cab-to-axle dimension with an Altec AT40-G hydraulic aerial tower with fiberglass one-man platform mounted over the rear axle with a utility body, all in accordance with Division Specification No. TRAT-26-5030;

2 – Class 8 cab and chassis, two-wheel drive, with a 120-inch clear cab-to-axle dimension with an Altec AA55E fully hydraulic aerial tower with fiberglass two-man platform mounted over the rear axle with a utility body, all in accordance with Division Specification No. TRAT-26-5035;

2 – Class 8 cab and chassis, two-wheel drive, with a 102-inch clear cab-to-axle dimension with an Altec AA55E fully hydraulic aerial tower with fiberglass two-man platform mounted over the rear axle with a utility body, all in accordance with Division Specification No. TRAT-26-5037;

Totaling \$1,686,234.00; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; said prices being firm; the quantity is for estimation purposes only and does not create a commitment for MLGW to purchase any specific minimum or maximum quantity, with actual purchases to be made according to operational needs, not to exceed the approved total expenditure; delivery in 26 weeks, terms net 30 days.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:



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VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12266 – WECO Electric Meter Testing Application**
- 2. Requested Funding – \$94,479.97 (proposal amount of \$85,882.95 plus \$8,600.00 in contingency funds and minus \$2.98 current contract balance)**
- 3. Award Duration – Increase and Extension (October 29, 2026 through October 28, 2031)**
- 4. Type of Bid – Sole Source**
- 5. Awarded To – Radian Research, Inc.**
- 6. Plain Language Description – The purpose of extending the WECO Electric Meter Test Board warranty and accuracy re-certification for an additional five (5) years is to ensure the continued reliability, precision, and compliance of our testing equipment. Maintaining an active warranty and certification helps minimize downtime, supports accurate meter testing, and ensures we meet MLGW's standards and regulatory requirements. This extension also provides cost predictability by reducing the risk of unexpected repair expenses while preserving the long-term performance of the test board.**
- 7. Impact – If the WECO Electric Meter Test Board warranty and accuracy re-certification are not renewed, the risk of equipment failure, inaccurate meter testing, and non-compliance with MLGW's standards significantly increases. This could lead to unreliable test results, potential billing inaccuracies, and regulatory concerns. Additionally, any required repairs or replacements would result in unplanned costs and possible operational downtime, ultimately impacting productivity and the overall efficiency of the Electric Meter Shop.**

RESOLUTION

WHEREAS, the Board of Light, Gas, and Water Commissioners in their meeting of September 16, 2026 approved the Increase and Extension (*Change No. 3*) to Contract No. 12266, WECO Electric Meter Testing Application with Radian Research, Inc. to increase the contract value and extend the current contract in the funded amount of \$94,479.97, and is now recommending to the Council of the City of Memphis that it approves said increase and extension as approved; and

WHEREAS, the project scope is to allow Radian Research, Inc., as a sole source provider, to replace the existing obsolete equipment and provide maintenance for the new equipment at MLGW's Electric Meter Shop, 2425 Covington Pike in Memphis, Tennessee 38128. The new equipment includes the following: one (1) 4330X Test Board; two (2) 4050X Test Boards; and two (2) RW30X Site Analyzers. The equipment is used to test all MLGW's electric meters and conduct special tests at a customer's request when there are issues with a meter. The electric meters are linked with the Customer Information System (CIS) to assist with usage and billing data. The contract award was selected using the Sole Source process; and

WHEREAS, this change is to increase the contract value and extend the current contract for an additional five (5) years covering the period October 29, 2026 through October 28, 2031 in the funded amount of \$85,882.95; of which \$2.98 will be absorbed from the current contract value. This amount reflects a negotiated 2% decrease in rates from the previous term, resulting from the vendor applying a customer appreciation discount. This extension will ensure the continued reliability, precision, and compliance of MLGW testing equipment. Furthermore, MLGW is requesting contingency funds in the amount of \$8,600.00 for unforeseen hardware needs such as urgent repairs and upgrades, test kits, and onsite collaborations that may arise during the maintenance period. The total requested amount of this sole source increase and extension is \$94,479.97. This sole source increase and extension complies with all applicable laws and

policies. The new contract value is \$534,868.79; and

NOW THEREFORE BE IT RESOLVED by the Council of the City of Memphis, that there be and is hereby approved the Increase and Extension (*Change No. 3*) to Contract No. 12266, WECO Electric Meter Testing Application with Radian Research, Inc. to increase the contract value and extend the current contract in the funded amount of \$94,479.97 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts & Strategic Sourcing recommends to the Board of Light, Gas, and Water Commissioners the approval of the Increase and Extension (*Change No. 3*) to Contract No. 12266, WECO Electric Meter Testing Application with Radian Research, Inc. to increase the contract value and extend the current contract in the funded amount of \$94,479.97.

The project scope is to allow Radian Research, Inc., as a sole source provider, to replace the existing obsolete equipment and provide maintenance for the new equipment at MLGW's Electric Meter Shop, 2425 Covington Pike in Memphis, Tennessee 38128. The new equipment includes the following: one (1) 4330X Test Board; two (2) 4050X Test Boards; and two (2) RW30X Site Analyzers. The equipment is used to test all MLGW's electric meters and conduct special tests at a customer's request when there are issues with a meter. The electric meters are linked with the Customer Information System (CIS) to assist with usage and billing data. The contract award was selected using the Sole Source process.

This change is to increase the contract value and extend the current contract for an additional five (5) years covering the period October 29, 2026 through October 28, 2031 in the funded amount of \$85,882.95; of which \$2.98 will be absorbed from the current contract value. This amount reflects a negotiated 2% decrease in rates from the previous term, resulting from the vendor applying a customer appreciation discount. This extension will ensure the continued reliability, precision, and compliance of MLGW testing equipment. Furthermore, MLGW is requesting contingency funds in the amount of \$8,600.00 for unforeseen hardware needs such as urgent repairs and upgrades, test kits, and onsite collaborations that may arise during the maintenance period. The total requested amount of this sole source increase and extension is \$94,479.97. This sole source increase and extension complies with all applicable laws and policies. The new contract value is \$534,868.79.

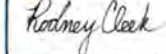
NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the approval of the Increase and Extension (*Change No. 3*) to Contract No. 12266, WECO Electric Meter Testing Application with Radian Research, Inc. to increase the contract value and extend the current contract in the funded amount of \$94,479.97, as outlined in the foregoing preamble, is approved and further,

THAT, the President, or his designated representative is authorized to execute the Increase and Extension

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:



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VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

1. **Short Title Description** – Water Meter Parts
2. **Requested Funding** – \$616,601.30
3. **Award Duration** – One-Time Purchase
4. **Type of Bid** – Sealed Bid
5. **Awarded To** – Badger Meter Incorporated
6. **Plain Language Description** – Fifteen distinct water meter components will be acquired for use in new service installations as well as for replacing failed, damaged, aging, or obsolete parts. These components are essential to maintaining accurate water usage measurements, which support precise customer billing.
7. **Impact** – These parts reduce delays in the field, ensure accurate meter readings, and help deliver reliable water service. By streamlining maintenance and monitoring processes, the parts ensure the technicians can address issues promptly and efficiently.



RESOLUTION

WHEREAS, the Board of Light, Gas and Water Commissioners in their meeting of September 16, 2026 approved the purchase of water meter parts and is now recommending to the Council of the City of Memphis that it approves said purchase; and

WHEREAS, the water meter parts reduce delays in the field to ensure accurate meter readings, and help deliver reliable water service. These components are used in new service installations and for replacing failed, damaged, aging, or obsolete components. The acquisition of the parts will ensure reliable field operations, support system performance, and help maintain accurate customer billing; and

WHEREAS, bids were opened on May 20, 2026. Notice to Bidders was advertised. Four bids were solicited, and two bids were received with lowest and best complying bidder being the firm of Badger Meter Incorporated. This award complies with all applicable laws and policies; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Memphis that there be and is hereby approved the purchase of water meter parts from Badger Meter Incorporated in the amount of \$616,601.30 chargeable to the MLGW 2026 fiscal year budget.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts recommends to the Board of Light, Gas and Water Commissioners that it awards a purchase order for water meter parts to Badger Meter Incorporated in the amount of \$616,601.30.

The water meter parts reduce delays in the field to ensure accurate meter readings, and help deliver reliable water service. These components are used in new service installations and for replacing failed, damaged, aging, or obsolete components. The acquisition of the parts will ensure reliable field operations, support system performance, and help maintain accurate customer billing.

Bids were opened on May 20, 2026. Notice to Bidders was advertised. Four bids were solicited, and two bids were received with lowest and best complying bidder being the firm of Badger Meter Incorporated. This award complies with all applicable laws and policies.

The 2026 budgeted amount for Previously Capital Items / Water Meter Shop is \$10,039,000.00; the amount spent year-to-date is \$1,566,559.37; leaving a balance available of \$8,472,440.63; of which \$616,601.30 will be spent on this purchase in 2026; leaving a balance available of \$7,855,839.33; and

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and

Water Commissioners:

THAT, subject to the consent and approval of the Council of the City of Memphis, awards a purchase order to Badger Meter Incorporated is approved for furnishing:

2,000 – Meter disc water $\frac{5}{8}$ inch X $\frac{3}{4}$ inch mag drive;

200 – Meter disc water 1-inch mag drive;

200 – Meter disc water 1 $\frac{1}{2}$ inch mag drive;

5 – Meter turbo water 2-inch;

5 – Meter compound water 3-inch X $\frac{3}{4}$ inch mag drive;

50 – Meter disc water 2-inch mag drive;

2 – Meter turbo water 3-inch;

5 – Meter compound water 4-inch X 1-inch mag drive;

1 – Meter turbo water 4-inch;

5 – Meter fire water 6-inch;

1 – Meter turbo water 6-inch;

6 – Meter fire water 8-inch;

2 – Meter turbo water 8-inch;

2 – Meter fire water 10-inch;

1 – Meter turbo water 10-inch;

Totaling \$616,601.30; f.o.b. Memphis, Tennessee, our dock; transportation prepaid; said prices being firm; the quantity is for estimation purposes only and does not create a commitment for MLGW to purchase any specific minimum or maximum quantity, with actual purchases to be made according to operational needs, not to exceed the approved total expenditure; delivery in 10 weeks, terms net 30 days.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:



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VP, CFO & Secretary - Treasurer

RESOLUTION SUMMARY

- 1. Short Title Description – Contract No. 12720 - External Auditing Services for Electric, Gas, and Water Divisions**
- 2. Requested Funding - \$1,087,500.00**
- 3. Award Duration – 60 months from the date of the Notice to Proceed**
- 4. Type of Bid – Professional Services**
- 5. Awarded to – CliftonLarsonAllen LLP (CLA)**
- 6. Plain Language Description – This contract is for external auditing services with respect to the financial statements of MLGW Electric, Gas, and Water Divisions.**
- 7. Impact – The contract will provide independent audit assurance that MLGW's Electric, Gas, and Water financial statements are accurate, complete, fairly presented, and in compliance with applicable standards.**

RESOLUTION

WHEREAS, the Board of Light, Gas, and Water Commissioners in their meeting of September 16, 2026 awarded Contract No. 12720, External Auditing Services for Electric, Gas, and Water Divisions to CliftonLarsonAllen LLP (CLA) in the funded amount of \$1,087,500.00, and is now recommending to the Council of the City of Memphis that it approves said award as approved; and

WHEREAS, the project scope will include all supervision, labor, transportation, equipment, etc. to perform external auditing services and provide reports with respect to the financial statements of MLGW Electric, Gas, and Water Divisions; and

WHEREAS, CliftonLarsonAllen LLP (CLA) will provide external auditing services to MLGW, including the Division Financial Statement Audit and Single Audit. Services will include annual audit planning, internal control reviews, substantive testing, review of lease/SBITA contracts, financial statement review, and required regulatory reporting. CLA will also conduct audit committee presentations and provide guidance on new accounting standards. These services support MLGW by delivering independent assurance, regulatory compliance, financial accuracy, and industry-specialized expertise, with continued service from an experienced team familiar with MLGW's operations. The term of this contract is 60 months from the date of the Notice to Proceed in the amount of \$1,087,500.00. MLGW is requesting approval of this professional services award which will be provided by CliftonLarsonAllen LLP (CLA). This professional services award complies with all applicable laws and policies; and

NOW THEREFORE BE IT RESOLVED BY THE Council of the City of Memphis, that there be and is hereby approved an award of Contract No. 12720, External Auditing Services for Electric, Gas, and Water Divisions to CliftonLarsonAllen LLP (CLA) in the funded amount of \$1,087,500.00 as approved.

EXCERPT
from
MINUTES OF MEETING
of
BOARD OF LIGHT, GAS AND WATER COMMISSIONERS
CITY OF MEMPHIS
held
September 16, 2026

The Director of Procurement and Contracts & Strategic Sourcing recommends to the Board of Light, Gas, and Water Commissioners the award of Contract No. 12720, External Auditing Services for Electric, Gas, and Water Divisions to CliftonLarsonAllen LLP (CLA) in the funded amount of \$1,087,500.00.

The project scope will include all supervision, labor, transportation, equipment, etc. to perform external auditing services and provide reports with respect to the financial statements of MLGW Electric, Gas, and Water Divisions.

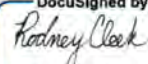
CliftonLarsonAllen LLP (CLA) will provide external auditing services to MLGW, including the Division Financial Statement Audit and Single Audit. Services will include annual audit planning, internal control reviews, substantive testing, review of lease/SBITA contracts, financial statement review, and required regulatory reporting. CLA will also conduct audit committee presentations and provide guidance on new accounting standards. These services support MLGW by delivering independent assurance, regulatory compliance, financial accuracy, and industry-specialized expertise, with continued service from an experienced team familiar with MLGW's operations. The term of this contract is 60 months from the date of the Notice to Proceed in the amount of \$1,087,500.00. MLGW is requesting approval of this professional services award which will be provided by CliftonLarsonAllen LLP (CLA). This professional services award complies with all applicable laws and policies.

NOW THEREFORE BE IT RESOLVED BY the Board of Light, Gas and Water Commissioners:

THAT, Subject to the consent and approval of the Council of the City of Memphis, the award of Contract No. 12720, External Auditing Services for Electric, Gas, and Water Divisions to CliftonLarsonAllen LLP (CLA) in the funded amount of \$1,087,500.00, as outlined in the above preamble, is approved; and further

THAT, the President or his designated representative is authorized to execute the Award.

I hereby certify that the foregoing is a true copy of a resolution adopted by the Board of Light, Gas and Water Commissioners at a regular meeting held on 16th day of September, 2026, at which a quorum was present.

DocuSigned by:


C84E2E63D610415

VP, CFO & Secretary - Treasurer

SAME DAY MINUTES APPROVED

T-042



Memphis City Council Summary Sheet

(Revised January 28, 2026)

1. Description of the Item (Resolution, Ordinance, etc.)

- A provision to increase the accrued benefit percentage pension multiplier for years of credited service after January 1, 1990, from 2.25% to 2.50% for Police Dispatchers, Fire Alarm Operators, and Paramedics retiring on or after July 1, 2026.
- A provision to remove the Early Retirement Reduction Factor, which imposes a 5% reduction for retirement each year before age 62 for Police Dispatchers, Fire Alarm Operators, and Paramedics.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Human Resources

3. State whether this is a change to an existing ordinance or resolution, if applicable.

Yes, this is a change to the existing Pension Ordinance.

4. State whether this will impact specific council districts or super districts.

This will impact COM employees.

5. State whether this requires a new contract, or amends an existing contract, if applicable.

Not Applicable

6. State whether this requires an expenditure of funds/requires a budget amendment.

These amendments require additional funding for the Actuarial Accrued Liability (AAL) of \$973,000 and an Actuarially Determined Contribution (ADC) for the next 30 years of \$210,000.

7. If same night minutes are requested, state the reason for the urgency.

Not Applicable

Initial
HL

DocuSigned by:
Fonda F Foucha 2026

August 12, 2026

T-042

**AN ORDINANCE TO AMEND
CHAPTER 25—PENSION AND RETIREMENT SYSTEM
OF THE CITY OF MEMPHIS, TENNESSEE**

WHEREAS, the City of Memphis, Tennessee (the “Employer”) has adopted a defined benefit retirement plan known as City of Memphis Retirement System for General Employees, including police officers and firefighters, as subsequently amended and restated from time to time, and consisting of a 1948 plan (that part of the plan benefiting employees participating under the provisions of sections 4-25-60 through 4-25-99) and a 1978 plan (that part of the plan benefiting employees participating under the provisions of sections 4-25-160 through 4-25-199), as amended in 2012, and a 2016 plan (that part of the plan benefiting employees participating under the provisions of sections through 4-25-210 through 4-25-274), currently codified and established under City Ordinance Chapter 25, Articles I through VII, Division 1 and Division 2 and Division 3 (collectively, “the Pension System”); and

WHEREAS, the Employer desires to amend the Pension System as provided herein,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MEMPHIS that the Pension and Retirement System of the City of Memphis be amended as follows:

1. Section 4-25-1 References, construction and definitions, subsection (A) Item (1) Accrued benefit, subsection (a) shall be amended and restated in its entirety to read as follows:

1. Accrued benefit means:

- a. i. As of any date, for each participant hired prior to July 1, 2012, including commissioned police officers, police dispatchers, firefighters, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department of the City retiring prior to July 1, 2026, a monthly benefit amount payable semi-monthly in the form of a single life annuity, equal to two and one-fourth percent of his or her average monthly compensation multiplied by the number of years of

August 12, 2026

service completed before January 1, 1990, plus two and one-half percent of his or her average monthly compensation multiplied by the number of years of service completed after January 1, 1990; provided, however, that when a participant's years of service equals 25 years, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 25 years for a maximum of ten years; provided, however, if after 35 years of service the total percentage of his or her average monthly compensation is less than 72.5 percent, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 35 years earned after January 1, 1990, until such total percentage shall equal 72.5 percent; or

ii. As of any date, for each participant that is hired on or after July 1, 2012, including commissioned police officers, police dispatchers, firefighters, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department retiring prior to July 1, 2026, a monthly benefit amount payable semi-monthly in the form of a single life annuity, equal to two and one-fourth percent of his or her average monthly compensation multiplied by the number of years of service completed after July 1, 2012; provided, however, that when such participant's years of service equals 25 years, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 25 years for a maximum of ten years; provided, however, if after 35 years of service the total percentage of his or her average monthly compensation is less than 72.5 percent, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 35 years earned; or

iii. As of any date, for each participant who is a commissioned police officer, police dispatcher, firefighter, fire dispatcher, fire alarm operator, or paramedic employed in the Fire Department of the City retiring on or after July 1, 2026, a monthly benefit amount payable semi-monthly in the form of a single life annuity, equal to two and one-fourth percent of his or her average monthly compensation multiplied by the number of years of service completed before January 1, 1990, plus two and one-half percent of his or her average monthly compensation multiplied by the number of years of service completed after January 1, 1990; provided, however, that when a participant's

August 12, 2026

years of service equals 25 years, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 25 years for a maximum of ten years; provided, however, if after 35 years of service the total percentage of his or her average monthly compensation is less than 72.5 percent, such participant shall accrue an additional one percent of his or her average monthly compensation for each year of service in excess of 35 years earned after January 1, 1990, until such total percentage shall equal 72.5 percent.

As required by T.C.A. §9-3-506(a)(3) and the Comptroller of the State of Tennessee, the increase provided in this subsection (iii) for commissioned police officers, police dispatchers, firefighters, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department of the City shall be funded by and only to the extent of the available funds allocated for the cost of pension benefits of police officers and firefighters in the Special Revenue Fund created pursuant to the referendum passed October 3, 2019 increasing the sales and use tax in the City of Memphis by 0.5% from 2.25% to 2.75% to restore pension benefits of public safety employees from and after the date of such referendum. In the event the cost of the increase provided in this subsection (iii) exceeds the amount allocated in the Special Revenue Fund for the cost of the pension benefits for public safety employees in the 1978 Plan, then the following steps shall automatically apply in determining the pension benefit of such eligible public safety employees for such Plan Year:

1. The accrual rate of 2.50% provided in this subsection (iii) for the pension benefit of these employees for such Plan Year will be reduced from 2.50% in ten basis point increments, to such lesser accrual rate (but not below the accrual rate provided in subsections (i) and (ii) above, as applicable) as is necessary so that the costs of benefits for these employees does not exceed the amount allocated in the Special Revenue Fund for the cost of the pension benefits for these employees in the 1978 Plan. The adjustment provided above shall be effective as of July 1 next following the determination of the cost of benefits and shall not reduce the accrued pension benefit of any such eligible employee accrued immediately prior to the effective date of the adjustment.

August 12, 2026

2. Section 4-25-1(A)(30) *Normal retirement date*, subsection (c) *1978 Plan for participants hired on or after July 1, 2012*, subsection (i) *General Employees* shall be amended and restated in its entirety to provide as follows:

- i. General Employees:

1. Effective for general employees, other than police dispatchers, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department of the City retiring on or after July 1, 2026, the first day of the month coincident with or next following the earliest date on which the participant
Attains:

- (A) Age 65 and completes five years of service; or
- (B) Twenty-five years of service and submits a written election designating the date he or she will retire not less than 30 days before such designated date. Said participant shall be entitled to receive a retirement benefit equal to his or her accrued benefit reduced by five percent per year for each year that his or her early retirement date precedes the date the participant will attain age 62.

2. Effective for police dispatchers, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department retiring on or after July 1, 2026, the first day of the month coincident with or next following earliest date on which the participant:

Attains:

- (A) Age 65 and completes five years of service; or
- (B) Twenty-five years of service and submits a written election designating the date he or she will retire not less than 30 days before such designated date.

August 12, 2026

The provisions of this Ordinance are hereby declared to be severable. If any of the sections, amendments, provisions, sentences, clauses, phrases, or parts hereof are held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

The provisions of this Ordinance shall take effect from and after the date it shall have been passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of Mayor in writing by the comptroller and become effective as otherwise provided by law.

NOTE: IN THE ADOPTING ORDINANCE ADD THE FOLLOWING PROVISIONS:

The additions and amendment herein repeal and replace the relevant titled, chapters and/or sections of the 2021 Code as so amended, repealed or replaced and the Comptroller is hereby directed to make the appropriate insertions and/or deletions into the official 2021 Code, so that reference to the 2021 Code shall be understood and intended to codify such additions and amendments as part of the 2021 Code.

All ordinances or parts of ordinances in the 2021 Code in conflict herewith are, to the extent of such conflict, hereby repealed.

SPONSOR

CHAIRMAN

City Administration

APPROVED:

Mayor

08.11.2026

SUMMARY OF PROPOSED ORDINANCE AMENDMENT
TO PENSION AND RETIREMENT SYSTEM
OF THE CITY OF MEMPHIS, TENNESSEE

August 2026

1. On July 21, 2026, effective July 1, 2026, an amendment was adopted to Section 4-25-1 of the Pension System for commissioned police officers and firefighters retiring on or after July 1, 2026 to increase the multiplier for years of credited service after January 1, 1990 from 2.25% to 2.50%. The cost of the increase is to be paid from the Special Revenue Fund created pursuant to the October 3, 2019 referendum.

The current proposed amendment extends that increase to police dispatchers, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department of the City. The cost of the increase is to be paid from the Special Revenue Fund created pursuant to the October 3, 2019 referendum.

2. On July 21, 2026, effective July 1, 2026, an amendment was adopted to Section 4-25-1(30)(c)(ii) to delete the 5% reduction on retirement benefits payable to commissioned police officers and firefighters who retire at twenty-five years of service but prior to age 52.

The current proposed amendment deletes the 5% reduction on retirement benefits payable to police dispatchers, fire dispatchers, fire alarm operators, and paramedics employed in the Fire Department of the City who retire at twenty-five (25) years of service but prior to age 62. The cost of the increase is to be paid from the Special Revenue Fund created pursuant to the October 3, 2019 referendum.

**CITY OF MEMPHIS
COUNCIL AGENDA CHECK OFF SHEET**

☐ ONE ORIGINAL
☐ ONLY STAPLED
☐ TO DOCUMENTS

**Planning & Development
DIVISION**

**Planning & Zoning COMMITTEE: 9/1/2026
DATE**

**PUBLIC SESSION: 10/6/2026
DATE**

ITEM (CHECK ONE)

☒ ORDINANCE ☐ RESOLUTION ☒ REQUEST FOR PUBLIC HEARING

ITEM CAPTION: A joint ordinance amending the Memphis-Shelby County Building Home Program.

CASE NUMBER: n/a

LOCATION: City of Memphis and unincorporated Shelby County

APPLICANT: Memphis and Shelby County Division of Planning and Development

REPRESENTATIVES: Brett Ragsdale, Division Director

REQUEST: Amend joint ordinance.

AREA: This ordinance affects all property within the City of Memphis and unincorporated Shelby County.

RECOMMENDATION: The Division of Planning and Development recommended **Approval**

RECOMMENDED COUNCIL ACTION: **Public Hearing Required**

First reading – 9/1/2026

Second reading – 9/15/2026

Third reading – 10/6/2026

PRIOR ACTION ON ITEM:

n/a	APPROVAL - (1) APPROVED (2) DENIED
_____	DATE
_____	ORGANIZATION - (1) BOARD / COMMISSION
_____	(2) GOV'T. ENTITY (3) COUNCIL COMMITTEE

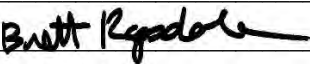
FUNDING:

(2) _____	REQUIRES CITY EXPENDITURE - (1) YES (2) NO
\$ _____	AMOUNT OF EXPENDITURE
\$ _____	REVENUE TO BE RECEIVED

SOURCE AND AMOUNT OF FUNDS

\$ _____	OPERATING BUDGET
\$ _____	CIP PROJECT # _____
\$ _____	FEDERAL/STATE/OTHER

ADMINISTRATIVE APPROVAL:

	<u>DATE</u>	<u>POSITION</u>
_____	_____	PRINCIPAL PLANNER
_____	_____	DEPUTY ADMINISTRATOR
_____	_____	ADMINISTRATOR
	<u>8/24/26</u>	DIRECTOR (JOINT APPROVAL)
_____	_____	COMPTROLLER
_____	_____	FINANCE DIRECTOR
_____	_____	CITY ATTORNEY

CHIEF ADMINISTRATIVE OFFICER

COMMITTEE CHAIRMAN



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

A JOINT ORDINANCE OF THE SHELBY COUNTY BOARD OF COMMISSIONERS AND MEMPHIS CITY COUNCIL AMENDING THE MEMPHIS-SHELBY COUNTY BUILDING HOME PROGRAM PURSUANT TO THE TENNESSEE HOMESTEAD ACT WITHIN CHAPTER 281 OF THE PUBLIC ACTS OF 1985.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Division of Planning and Development

3. State whether this is a change to an existing ordinance or resolution, if applicable.

Ordinance authorizing amendments to the BuildingHome Program in concert with Shelby County Government.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

This ordinance does not require a new contract nor amend an existing contract.

5. State whether this requires an expenditure of funds/requires a budget amendment.

This ordinance does not require an expenditure of funds or budget amendment.



JOINT ORDINANCE NO. _____

**JOINT ORDINANCE OF THE SHELBY COUNTY BOARD OF COMMISSIONERS AND
MEMPHIS CITY COUNCIL TO AMEND ORDINANCE NOS. 581 (COUNTY) AND 5946 (CITY)
TO REPEAL AND REPLACE THE EXISTING BUILDING HOME PROGRAM
IMPLEMENTATION PLAN AND TO ESTABLISH A BUILDING HOME PROGRAM
APPLICATION FEE.**

WHEREAS, There exists great need to address disparities in access to safe, quality housing choice and improve access to wealth-building opportunities for residents of Memphis and Shelby County; and

WHEREAS, The Shelby County Board of Commissioners adopted Ordinance 581 on June 23, 2025, and the City of Memphis City Council adopted the same on June 10, 2025, as Ordinance No. 5946 of the City of Memphis; and

WHEREAS, Tennessee Code Annotated § 7-66-105 requires the adoption of a Building Home implementation plan by the mayor, “which shall be subject to two thirds (2/3) approval by the local [governing] body”; and

WHEREAS, The amended Building Home Program Implementation Plan attached hereto as Exhibit A, and incorporated herein by reference, serves as a program component to activate underutilized parcels currently held by Shelby County Government and the City of Memphis and more suitably addresses these needs than does the existing plan; and

WHEREAS, Pursuant to the authority granted by the Charter of Shelby County and the City of Memphis, the Board of Commissioners of Shelby County and Council of the City of Memphis have determined that certain fees should be imposed for program administration expenses; and

WHEREAS, The Board of Commissioners and Council of the City of Memphis find that program administration expenses justify and necessitate establishment of a reasonable administrative fee in the amount of SEVENTY-FIVE DOLLARS AND ZERO CENTS (\$75.00) per application;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE AND THE CITY COUNCIL OF THE CITY OF MEMPHIS, That Ordinance No. 581 (County) and Ordinance No. 5946 (City) are hereby amended by repeal of the Building Home Program Implementation Plan adopted therein. The Ordinances otherwise remain in full effect.

BE IT FURTHER ORDAINED, That the Building Home Program Implementation Plan which is attached hereto and incorporated herein by reference as Exhibit A, is hereby approved and adopted and may be amended by joint ordinance of the Shelby County Board of Commissioners and the Memphis City Council pursuant to the authority of the Tennessee Homestead Act of 1985.

BE IT FURTHER ORDAINED, That the Division of Planning and Development is authorized to collect a fee of SEVENTY-FIVE DOLLARS AND ZERO CENTS (\$75.00) for each application to the Building Home Program.

BE IT FURTHER ORDAINED, That if any clause, section, paragraph, sentence or part of this Joint Ordinance shall be held or declared to be unconstitutional or void, it shall not affect the remaining parts of this ordinance, it being hereby declared to be the legislative intent of the Shelby County Board of Commissioners and the City Council of the City of Memphis to have passed the remainder of this Ordinance notwithstanding the part so held unconstitutional or void, if any.

BE IT FURTHER ORDAINED, That this Joint Ordinance amendment shall take effect according to laws of the County and of the City.

Sponsor(s):

Phillip Spinosa

CHAIRMAN

Building Home Program Structure and Function
Implementation Plan 2026
Shelby County, TN

Background and Context:

Shelby County Delegation introduced HB-410, SB-452 to enact the Tennessee Homestead Act in the 1985 Legislative Session. The Tennessee Homestead Act is outlined in TCA § 7-66-101 and includes details to provide an Implementation Plan that will subsequently be approved by the legislative body. Shelby County Government authorized implementation of the Homestead Program on October 7, 1985. The following Implementation Plan serves as the guiding document to utilize the authorities granted in the Tennessee Homestead Act and reauthorize the program as the Building Home Program of 2025. The Building Home Program helps make recommendations in the Housing Policy Plan actionable and provides opportunities for improved access to quality housing choice.

Implementation Plan Design:

1) Administering Agency:

The Memphis and Shelby County Division of Planning and Development (DPD), Department of Housing shall serve as Administering Agency of the Program. All program information and application materials will be made available on develop901.com/housing.

2) Method of Selecting Properties:

The method of selection of the properties will include review by Division leadership representatives or their designees from the DPD and Shelby County Public Works.

Eligible properties are those owned by Shelby County Government or other participating units of local, state, and federal government pursuant to TCA § 7-66-103. Eligible properties will continue to be owned and maintained by the owner/agency until disposition is completed. Eligible properties owned by Shelby County Government will also remain within the Land Bank Inventory listed for sale until such time as a qualified participant applies for and is approved to move forward with the project. Properties meeting the following criteria will be deemed eligible for the program:

- Properties located in designated priority anchors or anchor neighborhoods identified by the Memphis 3.0 Comprehensive Plan or in approved Tax Increment Financing (TIF) districts shall be included in the Building Home Program following administrative review and approval. Designated priority areas are those identified through the Housing Task Force Land Activation Sub-Committee and approved by the administering agency.
- Properties located in other anchors or anchor neighborhoods identified by the Memphis 3.0 Comprehensive Plan or in approved TIF districts are also eligible for inclusion in the Building Home Program following administrative review and approval.

- Any other properties in residential zoning districts across Shelby County, TN may be moved into the Program following administrative review and approval.

Marketability standards will be incorporated into site selection to ensure project viability. Upon approval by the administering agency, a list of the recommended properties will be designated as “Building Homes Properties” and said properties will be made available to the public via online applications broadly solicited to the public. The administering agency retains and reserves the ability to reject any property deemed not viable for marketability and/or reuse.

Eligible properties may become exclusively owned and maintained under the authority of the administering agency only by resolution of the legislative body. Such a resolution shall identify all excluded properties and provide adequate funding to support a) a small area plan for future development of the excluded area, b) a marketing plan for future development of the excluded area, and c) ongoing maintenance of all properties in the excluded area.

Properties shall be made available with this program for a maximum of four (4) years.

3) Criteria for Property Selection - Multifamily

The conditions and criteria that shall be used to select participants (equivalent to “homesteaders” as defined in TCA § 7-66-102) includes the provision of a complete application and appropriate supporting documentation approved by the administering agency for participation in multi-family housing unit construction or rehabilitation.

Notice of approval or disapproval will be provided by the administering agency to the participant. If approved, Shelby County will execute an Option to Purchase with the participant, which will be valid for a period of 60 days or as determined by the administering agency. During such time, all conditions included in the Option to Purchase must be met. Once conditions of the Option have been met the property will be transferred via quit claim ~~warranty~~ deed and consistent with Section 5 of this Plan. In the event a participant application is disapproved, deficiencies will be provided and an opportunity for technical assistance may be provided if deemed appropriate by the administering agency.

For the purposes of the Building Home Program, multifamily is defined as three or more units per parcel. Applications will be submitted to DPD in a format approved by the administering agency. Application fees are nonrefundable. All properties will be assigned a deposit amount at time of conveyance. If terms and conditions are not met by the approved timeline deposit amounts will be forfeited at the rate established in the executed agreement.

To remain in good standing with the Building Home Program, participants must obtain a certificate of occupancy within two (2) years of acquiring site control and moved into construction within the first 180 days. Participants in possession of partially complete projects, at the discretion of the administering agency, may apply for new projects in this program.

Criteria that render an applicant ineligible to receive assistance includes but is not limited to: history of unsuccessful closings, history of losing properties to tax sale within the past five (5) years, and/or any property tax delinquency on any property owned by the same entity. Applicants must satisfy all required application criteria in order to participate in the program.

4) Criteria for Property Selection – Single Family

The conditions and criteria that shall be used to select participants includes the provision of a complete application and appropriate supporting documentation approved by the administering agency for participation in single-family housing unit construction or rehabilitation.

Notice of approval or disapproval will be provided by the administering agency to the participant. If approved, Shelby County will execute an Option to Purchase with the participant, which will be valid for a period of 60 days or as determined by the administering agency. During such time, all conditions included in the Option to Purchase must be met. Once conditions of the Option have been met, the property will be transferred via quit claim deed ~~warranty deed~~ and consistent with Section 5 of this Plan. In the event a participant application is disapproved, deficiencies will be provided and an opportunity for technical assistance may be provided if deemed appropriate by the administering agency.

For the purposes of the Building Home Program, single family is defined as one (1) to two (2) units as attached or detached structures. Application fees are nonrefundable. All properties will be assigned a deposit amount at time of conveyance. If terms and conditions are not met by the approved timeline deposit amounts will be forfeited at the rate established in the executed agreement.

To remain in good standing with the Building Home Program, participants must obtain a final inspection within one (1) year of acquiring site control and moved into construction within the first 120 days.

Criteria that render an applicant ineligible to receive assistance includes but is not limited to: history of unsuccessful closings, history of losing properties to tax sale within the past five (5) years, and/or any property tax delinquency on any property owned by the same entity. Applicants must satisfy all required application criteria in order to participate in the program.

If program participants include a co-developer applying with an existing homeowner all parties must agree to the terms and conditions of the program.

5) Conveyance of Property

The conditions and criteria that shall be used for conveyance of property to homesteaders include both deed and lease provisions, as deemed appropriate by the administering agency.

Upon submission and subsequent approval of the application, and upon meeting the required conditions, the County will transfer title of the property to the applicant by fee simple title for the predetermined price and/or deposit amount. Upon transfer the property shall be subject to any and all taxes and assessments as prescribed by all other sections of the code. All property transfers from the City or County to approved participants are subject to approval by the appropriate governing body as appropriate including Shelby County Board of Commissioners or Memphis City Council.

Prior to the vesting of such transfer and consistent with TCA § 7-66-108, any material failure by the applicant to carry out the terms of the agreement entered into nullifies such agreement and all rights, title, and interest in the property shall revert to the agency unless the agency deems an extension not to exceed two (2) years is permitted in order to come into compliance with all stated terms and conditions.

There shall be an Escrow Account established at the closing of the sale to hold the predetermined purchase price amount and/or deposit amount. The applicant shall present to the administering agency full payment in the amount established in the contractual agreement. This amount shall be no less than all tax lien and fees assessed on the property, unless otherwise dictated by the administering agency.

The Shelby County Board of Commissioners may waive any and all back taxes, liens, and fees on subject properties consistent with TCA § 7-66-108. The Escrow Account shall be governed by a contract between the applicant and the County which will specify the conditions to be met in order to receive a refund of the Escrow Account in full or in part. If the development is completed in the time specified, the account will be refunded consistent with the terms established in the contractual agreement. In the event that the development is not completed within the time allotted, the Escrow amount will be forfeited by the participant and receipted as revenue to the Building Home Program. Funds collected in this manner will be utilized consistent with the terms outlined in Section 10 of this plan. This contract shall provide for one extension of time which may be requested by the applicant for just cause and evaluated by the administering agency.

Furthermore, consistent with TCA § 7-66-108 in the event of any material failure by the applicant to carry out the terms of the agreement all rights, title and interest in and to the property shall revert to the administering agency, pending any approved extensions to the project.

Any applicant that remains delinquent in developing an awarded property or has past due taxes will be excluded from consideration to move forward on additional properties and no further applications will be deemed approved by the administering agency.

Regardless of completion or failure to complete the development plan, the applicant will hold title to the subject property and shall owe property taxes from the date title is transferred.

6) Building Standards

Building standards and codes that shall apply to the designated properties include those currently adopted by the City of Memphis and Shelby County and administered by the Memphis and Shelby County Division of Planning and Development, including the Unified Development Code (UDC) and all technical building codes. Methods of monitoring these standards shall include monitoring of all permitted work through DPD's Construction Code Enforcement department.

Consistent with Sections 3 and 4 of this plan, multifamily properties shall be given 180 days to move into construction and a maximum of two (2) years to obtain a certificate of occupancy and single-family properties shall be given 120 days to move into construction and a maximum of one (1) year to obtain a final inspection. Extension requests will be evaluated and if approved granted by the administering agency.

7) Coordination Efforts

The Building Home Program shall coordinate with state and federal agencies through existing channels already in place through ongoing outreach efforts to meet community needs. DPD staff may also provide a wide variety of technical assistance services to applicants to support successful applications and project implementation to the greatest extent feasible. DPD shall make best efforts to ensure at least 30% of Building Home Program parcels and financial supports are prioritized for emerging developers and community-based rehabbers with less than five (5) completed projects, with particular emphasis on recruiting and working with developers from historically underrepresented groups.

DPD is authorized to contract with diverse organizations and will make efforts to collaborate with local community partners including but not limited to nonprofit community development corporations (CDCs), certified Community Development Financial Institutions (CDFIs), and workforce training providers to support implementation and outreach efforts.

8) Technical and Financial Assistance and Incentives

The technical assistance and referrals to other relevant and current programs offered by private and public agencies shall be coordinated or supported by the administering agency as appropriate. Ongoing coordination with relevant agencies will continue throughout the administration of this program. Any available incentives as existing or new programs are developed locally shall be included in referral materials provided to program participants.

As funding allows, the Building Home Program shall include a developer capacity-building component, offering technical assistance, training workshops, and mentorships to participating small-scale and community rehabbers to support successful project delivery and sustainability.

DPD shall make best efforts to ensure loan products offered under the Building Home Program shall include whenever feasible alternative underwriting criteria and down payment assistance to improve access for developers and rehabbers with limited credit history or traditional collateral, while maintaining risk mitigation standards.

9) Methods to Acquire and Dispose of Properties

All properties part of the Building Home Program shall be disposed of in the manner prescribed in Sections 5 to eligible and approved participants.

The administering agency shall acquire property through tax lien foreclosure or gift or contract from other private or public entities. When properties are secured, appropriate public notification will occur on the administering agency's website. Disposition of properties under this Program shall include simplified application processes, reduced acquisition costs, and scoring criteria that reward community-based impact, inclusive hiring, and developer equity participation.

10) Other Conditions

Other conditions and criteria that are deemed to be in the public interest include use of program revenue from defaulted escrow or other source as applicable. Such revenue may be utilized to improve or otherwise make more marketable properties held within the program or be utilized for other land

activation strategy consistent with the Joint Memphis and Shelby County Housing Policy Plan or its subsequent updates or successor plans.

The Building Home Program commits to addressing historical inequities in land access and wealth building by centering racial equity, equitable affordability, and anti-displacement principles in program design and implementation. The program prioritizes inclusive participation by historically marginalized developers and intentionally targets neighborhoods impacted by discriminatory policies such as redlining. The success of the program will be measured not only by the number of units developed but by its effectiveness in redressing past harms and building a more just and inclusive housing system for Shelby County.

DPD shall produce, at minimum, an annual report that tracks and evaluates the performance of the Building Home Program with respect to its stated equity and affordability goals. The report shall include the number and type of housing units produced; affordability levels achieved; and demographic, geographic, and ownership profiles of participating developers, with specific attention to race, gender, and place-based representation. This data will be used to assess the program's effectiveness in advancing equitable access to housing, facilitating racial and generational wealth-building opportunities, and reversing patterns of disinvestment linked to historic redlining and exclusion. The annual report shall also provide recommendations for improving the program's ability to promote racial equity, mitigate displacement risk, and expand the affordable housing stock in high-opportunity areas.

The Building Home Program may be amended by approval of the administration through capturing relevant changes in the applicable Policies and Procedures audit log.

DRAFT – PENDING LEGAL AND COUNCIL REVIEW

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH A STRATEGIC LARGE-LOAD DEVELOPMENT AND DIGITAL INFRASTRUCTURE DISTRICT PROGRAM; TO REPLACE A BLANKET DATA-CENTER MORATORIUM WITH SOURCE-NEUTRAL, TIERED, AND TIMED REVIEW; TO DEFINE SUBSTANTIAL COMPLIANCE; TO ADOPT A MEMPHIS WATER ASSURANCE STANDARD AND RECURRING FISCAL FLOOR; TO REQUIRE STRATEGIC DEVELOPMENT AGREEMENTS; TO AUTHORIZE MEMPHIS DIGITAL INFRASTRUCTURE DEVELOPMENT DISTRICT NO. 1; AND FOR RELATED PURPOSES

WHEREAS, Memphis seeks to become a preferred location for high-value digital and strategic large-load investment by offering faster certainty, prepared infrastructure, and a durable public bargain rather than either unregulated first-come access or a blanket closure;

WHEREAS, the City already has agencies responsible for land use, utility service, air, water, fire, building, and economic development, but lacks one source-neutral operating system for extraordinary full-campus demand, recurring fiscal return, cumulative resource allocation, and competitive public development packages;

WHEREAS, Public Chapter 961 of the Public Acts of 2026 establishes a statutory cost-responsibility floor for defined electrical infrastructure and permits certain independent-power and behind-the-meter arrangements, making it necessary for local land-use and development rules to measure total site demand rather than utility load alone;

WHEREAS, Tennessee Code Annotated §§ 13-4-310(e) and 13-3-413(e), as applicable, require local governments to specify what constitutes substantial compliance for vested-right purposes, and Tennessee Code Annotated, Title 7, Chapter 51, Part 22, as enacted by Public Chapter 1044 of 2026, imposes development-service deadlines beginning January 1, 2027;

WHEREAS, the Memphis Sand aquifer is a strategic regional asset, and a verifiable low-potable-water development standard can protect that asset while creating a commercially valuable Memphis certification;

WHEREAS, a recurring fiscal floor, competitive site allocation, ground rent, project security, and reinvestment in the next district create greater long-term value than reliance upon announced capital investment or one-time contributions;

WHEREAS, the City intends to launch a prepared digital infrastructure district now through existing City, County, and industrial-development powers, without waiting for later State enabling legislation;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS:

SECTION 1. SHORT TITLE.

This ordinance may be cited as the “Memphis Strategic Large-Load Development and Digital Infrastructure District Ordinance.”

SECTION 2. PURPOSE AND CONSTRUCTION.

(a) The purposes of this ordinance are to:

- (1) keep qualified development applications moving under enforceable, predictable standards;
- (2) protect citizens, neighborhoods, utility reliability, existing customers, public finances, water resources, and future economic options;

- (3) create recurring and competitive economic return from extraordinary public development value;
- (4) establish one source-neutral review record for the full campus, regardless of the project's energy supplier or ownership structure;
- (5) create and market prepared digital infrastructure districts; and
- (6) provide a bankable public bargain that is not reopened after approval except for default, material modification, or lawful amendment.

(b) This ordinance supplements and does not replace the jurisdiction of MLGW, TVA, TDEC, the Shelby County Health Department, DPD, the Fire Department, Public Works, or any State or federal agency. No provision shall be construed to authorize the City to set a utility rate, reserve electric capacity, approve a private power sale, or waive another agency's permit.

SECTION 3. DEFINITIONS.

"Affiliated Facility" means a facility, phase, parcel, project entity, tenant, or power-supply arrangement under common ownership or control, developed pursuant to a common plan, sharing material infrastructure, or located on contiguous or proximate parcels.

"Core Computing Personal Property" means servers; processors; graphics, tensor, or other accelerators; storage devices; network and switching equipment; racks; internal uninterruptible power and distribution systems; and replacement, refresh, leased, affiliate-owned, or functionally equivalent equipment primarily used for computation, artificial intelligence, data storage, or data movement.

"Covered Facility" means a new or expanded facility, campus, or integrated group of facilities primarily used for high-density computation, artificial intelligence, cloud services, data storage, cryptocurrency or blockchain computation, or similar digital processing, with a Maximum Site Electrical Demand of ten megawatts or more. A telecommunications switching or network facility is excluded unless its digital-compute load independently meets the threshold.

"Digital Infrastructure Development District" means a defined development program or area in which public or authority-controlled land, infrastructure planning, utility studies, water solutions, rights-of-way, standard agreements, and coordinated review are assembled and competitively offered. The term does not by itself create a tax district or alter zoning.

"Discretionary Public Development Value" means a PILOT, public land sale or lease, option, grant, public financing, public infrastructure commitment not available as of right, expedited district position, or other discretionary City-controlled economic value. Ordinary permits and utility service available under generally applicable law and rates are not Discretionary Public Development Value.

"Eligible Digital Infrastructure Expenditures" means the purchase or lease price of Core Computing Personal Property, qualified software, cooling equipment, backup or onsite generation equipment, and other capital equipment installed for the Facility, plus facility energy purchases, but excluding payroll, employee benefits, debt service, taxes, land purchase price, and amounts already remitted as the State Digital Infrastructure Growth Surcharge.

"Maximum Site Electrical Demand" or "MSED" means the greatest projected coincident electrical demand of the complete Facility or campus during its first five years after initial operation, whether supplied by MLGW, TVA-connected service, an independent power producer, behind-the-meter generation, onsite generation, storage, or any combination. MSED is measured before subtracting onsite generation or storage.

"Onsite Generation" means electric generation, cogeneration, fuel cells, turbines, engines, solar, storage-discharge systems, or other production located on or directly serving the site. Emergency backup

generation remains Onsite Generation for disclosure and safety purposes even if excluded from ordinary energy-supply calculations.

“Program Administrator” means the DPD official designated to maintain the single application record, coordinate agency review, issue the official completeness and deficiency notices, and publish the Resource and Return Ledger.

“Regional Growth Dividend” means the contractual payment required by Section 16 when a Covered Facility receives Discretionary Public Development Value. It is distinct from the State Digital Infrastructure Growth Surcharge proposed in the Tennessee Enabling Act.

“Strategic Development Agreement” or “SDA” means the integrated, enforceable agreement among the project entity and applicable public parties governing land, infrastructure, fiscal return, development value, performance, security, reporting, transfer, expansion, default, and remedies.

“Utility Requested Load” means the maximum firm or interruptible electric demand the applicant requests from MLGW, excluding generation not supplied by MLGW.

“Gate Viability Finding” means the written determination required by the Master Delivery Compact that a proposed public development package presents a material, evidence-based advantage over lawful private or self-supplied alternatives.

“Interim Program Executive” means the accountable implementation executive designated under the Master Delivery Compact. The Executive controls the integrated critical path and readiness certifications but does not exercise another body’s final statutory or contractual authority.

“Competitive Boundary Model” means the independent twenty-year comparison of a representative 100-MW campus in Memphis, Southaven/DeSoto County, and at least one other relevant market using current taxes, incentives, utility pathways, land, water, infrastructure, schedule, and financing risk.

“Water Usage Effectiveness” or “WUE” means annual site water consumption for data-center operation divided by annual information-technology energy use, expressed in liters per kilowatt-hour or a successor metric approved by DPD and MLGW.

“Water-Assured Facility” means a Facility certified under Section 12 and Appendix B as satisfying the Memphis Water Assurance Standard.

SECTION 4. SOURCE-NEUTRAL TIERS AND AGGREGATION.

(a) A Covered Facility is classified by MSED:

- (1) Tier I: at least 10 MW but less than 25 MW;
- (2) Tier II: at least 25 MW but less than 50 MW; and
- (3) Tier III: 50 MW or more.

(b) Affiliated Facilities shall be aggregated if developed during a five-year period, under common ownership or control, pursuant to a common plan, on contiguous or proximate parcels, or with shared electric, water, generation, fiber, road, or other material infrastructure. The Program Administrator shall look to substance over entity form.

(c) An applicant shall disclose the full planned campus and all phases. Deliberate segmentation or material omission is grounds for rejection, revocation, forfeiture, and referral for enforcement.

SECTION 5. APPLICABILITY, EXISTING RIGHTS, AND MATERIAL EXPANSIONS.

(a) This ordinance applies prospectively to new Covered Facilities and to the unvested portion of an expansion, new phase, increase in MSED or Utility Requested Load, material change in energy source, new nonemergency Onsite Generation, or material increase in potable-water demand.

(b) A lawfully vested right is respected only to the extent and scope established by Tennessee law and the approved or substantially compliant submission creating the right. A vested site does not create a vested right to undisclosed future phases, increased load, a different energy system, a new PILOT, public land, or other Discretionary Public Development Value.

(c) A transfer of ownership or operator does not extinguish obligations that run with an SDA, land instrument, utility agreement, permit, or other binding approval.

SECTION 6. IMPLEMENTATION EXECUTIVE, SINGLE INTAKE, AND PROGRAM ADMINISTRATOR.

(a) Within five business days after adoption, the Mayor shall designate the Interim Program Executive and activate the Master Delivery Compact, subject to lawful appointment, procurement, employment, and funding requirements.

(b) The Interim Program Executive shall maintain the integrated critical path, common data room, authority matrix, readiness certifications, and public escalation protocol. The Executive shall not exercise a permit, utility, tax, land, appropriation, or elected decision reserved to another body.

(c) Within five business days after the operative date, the DPD Director shall designate one Program Administrator and one electronic application record for each Tier II and Tier III Facility.

(d) MLGW, DPD, Public Works, Fire, the Shelby County Health Department, EDGE, and other participating agencies shall transmit comments to the Program Administrator. The Program Administrator shall issue the City's consolidated completeness or deficiency notice. Nothing in this subsection transfers a final agency decision.

(e) The City shall conduct one mandatory pre-submittal conference before accepting a Tier II or Tier III development application as substantially compliant.

SECTION 7. SUBSTANTIAL COMPLIANCE CHECKLIST.

(a) Pursuant to Tennessee Code Annotated §§ 13-4-310(e) and 13-3-413(e), as applicable, a Tier II or Tier III application is not substantially compliant unless it includes each item in Appendix E, including at minimum:

- (1) legal site control and parcel identification;
- (2) ownership, control, end-user, and affiliate disclosure;
- (3) a full-campus conceptual plan and phase schedule;
- (4) MSED, Utility Requested Load, annual ramp, and interconnection assumptions;
- (5) an Energy Supply and Operations Plan disclosing all utility, independent-power, onsite, backup, storage, fuel, and hybrid components;
- (6) potable, nonpotable, reclaimed, process, peak, drought-stage, and wastewater projections, cooling technology, and proposed WUE;
- (7) noise, air, fuel, battery, fire, emergency, traffic, stormwater, and decommissioning concepts;
- (8) evidence of financial capacity and payment of published study deposits;
- (9) a complete list of requested Discretionary Public Development Value; and
- (10) certification under penalty of applicable law that no Affiliated Facility or material phase has been omitted.

(b) DPD shall publish the checklist before this ordinance becomes operative and may add only objective, publicly posted technical items. No unpublished or open-ended standard may determine substantial compliance.

(c) If an applicant declines a lawful extension needed to complete independent technical review, the City shall act within applicable deadlines on the record then available and may issue a deficiency or denial when required evidence is absent. The City shall not create an accidental approval by failing to act.

SECTION 8. TIERED AND TIMED REVIEW.

(a) Tier I. Registration, full-campus disclosure, ordinary permits, applicable operating standards, and annual energy/water reporting. DPD shall target an initial coordinated determination within thirty business days after a substantially compliant submission.

(b) Tier II. Applicant-funded technical review; energy-track determination; Water Assurance review; Resource and Return Ledger; and Strategic Infrastructure Readiness Determination before final discretionary City action. DPD shall target sixty business days after a complete technical record.

(c) Tier III. All Tier II requirements; independent infrastructure and fiscal underwriting; public presentation of the Resource and Return Ledger; and Council ratification of any SDA or extraordinary allocation. DPD shall target ninety business days after a complete technical record, excluding applicant-caused delay and mandatory external process.

(d) These targets are operating commitments, not guarantees of approval or waivers of State law. The Program Administrator shall maintain a deadline ledger under Tennessee Code Annotated § 7-51-2204 and shall issue no more deficiency reports than permitted by law.

SECTION 9. TWO ENERGY PATHS; ONE FULL-SITE RECORD.

(a) Utility-served and hybrid path. An applicant seeking any MLGW electric service shall obtain the applicable MLGW study or readiness statement and comply with the MLGW Large-Load Service and Capacity Policy. No City approval creates a Capacity Reservation.

(b) Self-supplied or behind-the-meter path. An applicant proposing no MLGW electric service, or proposing Onsite Generation or an independent power producer, shall submit an Energy Supply and Operations Plan addressing full MSED, generation technology, fuel supply, expected operating hours, air emissions, noise, cooling and water, electrical safety, islanding, interconnection if any, emergency operation, fire protection, fuel storage, decommissioning, and construction phasing.

(c) MLGW approval is required only to the extent required by law, contract, utility service, interconnection, backup service, or safety. Absence of MLGW jurisdiction over a private power purchase does not exempt the Facility from land-use, air, water, fire, building, noise, traffic, fiscal, SDA, or other lawful local requirements.

(d) A hybrid Facility shall disclose both MSED and Utility Requested Load. The Resource and Return Ledger shall never treat a self-supplied campus as consuming zero resources merely because Utility Requested Load is zero.

SECTION 10. STRATEGIC INFRASTRUCTURE READINESS DETERMINATION.

(a) The Program Administrator shall issue a written determination stating whether the application presents a credible path to satisfy land use, energy supply, water, wastewater, roads, fiber, emergency response, fire, air, noise, lighting, stormwater, fuel, security, and decommissioning requirements.

(b) The determination incorporates, but does not duplicate or supersede, the written findings and permits of agencies with independent jurisdiction.

(c) A favorable determination requires findings that:

- (1) the project has a technically credible energy path without representing that utility capacity is reserved;

- (2) statutory electrical infrastructure costs and contractual incremental public costs are allocated to the project and secured;
- (3) the project can satisfy the Memphis Water Assurance Standard or has obtained the limited waiver authorized by Section 12;
- (4) the project will not materially impair critical public service or an adopted resource budget;
- (5) land-use, air, noise, fire, emergency, fuel, and operating requirements can be satisfied; and
- (6) all material phases, affiliates, energy sources, and public requests have been disclosed.

SECTION 11. PROJECT COST RESPONSIBILITY AND SECURITY.

- (a) “Statutory Electrical Infrastructure Costs” means the capitalizable costs governed by Public Chapter 961 and successor law. Those costs shall be assigned and recovered as required by law and neutral utility policy.
- (b) “Contractual Incremental Public Costs” means additional but-for costs reasonably attributable to the Facility, including water, wastewater, road, emergency-service, public-safety, monitoring, land, operating, maintenance, and decommissioning exposure. Such costs may be imposed only through an SDA, utility agreement, land instrument, incentive agreement, lawful fee supported by required cost documentation, or other valid contract or authority.
- (c) Tier II and Tier III Facilities shall provide deposits, letters of credit, guarantees, bonds, take-or-pay obligations, completion security, decommissioning security, or other protection proportionate to public exposure before a public entity constructs ahead of the project.
- (d) Construction of the project’s required infrastructure, payment of ordinary taxes, and compliance with law are not community benefits and shall not be counted as negotiated value.

SECTION 12. MEMPHIS WATER ASSURANCE STANDARD.

- (a) A Tier II or Tier III Facility shall be designed and operated as a Water-Assured Facility.
- (b) After a commissioning period not exceeding ninety days, potable water shall not be used for routine heat rejection or evaporative cooling at a Tier II or Tier III Facility. Permitted approaches include dry cooling, closed-loop systems with de minimis make-up demand, reclaimed or treated wastewater, captured stormwater, direct-to-chip or immersion systems, or another independently verified technology meeting equal or better performance.
- (c) Each Facility shall install separate meters for potable, nonpotable, reclaimed, and process water; report monthly use and annual/peak WUE; maintain a drought-stage reduction and curtailment plan; and fund annual independent verification.
- (d) Each Tier II and Tier III application shall quantify, under published Memphis design-day assumptions, the cooling design’s expected PUE, cooling-related peak megawatts, annual megawatt-hours, potable and total water demand, and onsite-emissions effect relative to feasible alternatives. The Resource and Return Ledger shall display the water savings and energy penalty or benefit together. No cooling technology is presumed costless.
- (e) As a condition of an SDA, District participation, City-controlled Discretionary Public Development Value, MLGW water service, and City land-use approval to the extent authorized by law, a Tier II or Tier III Facility shall not rely on a new direct withdrawal from the Memphis Sand aquifer for routine process or cooling use unless: (1) every permit and approval required from the Shelby County Health Department, the Groundwater Quality Control Board, TDEC, and any other competent authority has been obtained; and (2) the Council approves a time-limited SDA exception by a two-thirds vote after public hearing and written findings of necessity, monitoring, capacity, and no superior alternative. The

Council does not issue or substitute for a well permit, and this subsection does not displace another agency's jurisdiction.

(f) The Council may grant a time-limited potable-water waiver for no more than three years by a two-thirds vote only upon findings that:

- (1) no technically and commercially reasonable nonpotable or dry alternative can be available on the required schedule;
- (2) MLGW confirms sufficient capacity without impairing critical or ordinary customer needs;
- (3) the SDA establishes a binding WUE ceiling, separate metering, drought curtailment, and a funded conversion plan;
- (4) the applicant finances or provides an equivalent nonpotable-water, conservation, or system-capacity improvement; and
- (5) the waiver is necessary to secure demonstrably superior long-term regional value.

(g) DPD and MLGW shall publish the technical schedule in Appendix B, update measurement protocols administratively, and issue a public "Memphis Water-Assured" certification only after independent verification. Confidential infrastructure-security details may be protected as allowed by law, but aggregate use, PUE, and performance shall be public.

SECTION 13. RECURRING FISCAL FLOOR.

(a) No City-approved or City-recommended PILOT, lease, incentive, or other discretionary arrangement for a Covered Facility shall reduce the annual City payment attributable to Core Computing Personal Property below one hundred percent of the ad valorem tax that would be due if the property were privately owned and fully taxable.

(b) The annual City payment attributable to land shall be one hundred percent of the ordinary City ad valorem tax equivalent. The annual City payment attributable to cooling, backup or nonemergency generation, storage, and other support personal property shall be at least fifty percent of the ordinary City ad valorem tax equivalent. The annual payment attributable to other real-property improvements shall be at least twenty-five percent of the ordinary City ad valorem tax equivalent.

(c) Core Computing Personal Property includes every replacement, refresh, upgrade, leased asset, affiliate-owned asset, and functionally equivalent item placed in service during the term. A change in owner, lessor, affiliate, assessment classification, or equipment cycle does not reset or evade the floor.

(d) The minimum is a floor, not an entitlement. A competitive award may require higher payments. The City shall evaluate twenty-year net present value and recurring annual yield, but no year may fall below the applicable floor.

(e) Ordinary taxes and minimum PILOT payments shall not be represented as community benefits. A reduction from a requested abatement is not a negotiated contribution.

(f) The City shall not recommend a joint City-County PILOT inconsistent with this Section. County participation and the County share are governed by the Shelby County Companion Measure.

SECTION 14. REGIONAL RESOURCE AND RETURN LEDGER.

(a) The Program Administrator shall publish a project ledger for each Tier II and Tier III Facility, using assumptions certified by the applicant and reviewed by an independent underwriter for Tier III.

(b) The Ledger shall separately disclose at least:

- (1) twenty-year net public fiscal value and recurring annual public revenue;
- (2) Utility Requested Load, MSED, load ramp, cooling-related peak megawatts and annual megawatt-hours under Memphis design conditions, and flexibility or curtailment value;

- (3) potable, nonpotable, reclaimed, peak, and drought-stage water demand, WUE, and the paired energy-water tradeoff of the selected cooling design;
 - (4) acreage, land-control structure, public infrastructure exposure, and useful infrastructure retained for future users;
 - (5) Onsite Generation, expected operating hours, fuel source, air/noise burden, storage, and resilience;
 - (6) ground rent, option fees, reservation deposits, bid premium, Growth Dividend, and other direct consideration;
 - (7) permanent payroll, local procurement, workforce, public-compute, research, and supplier-ecosystem value;
 - (8) financial strength, construction certainty, default security, and stranded-asset risk; and
 - (9) the opportunity and option value surrendered by committing land, capacity, water, infrastructure, or public credit.
- (c) No single score is dispositive. A project must first satisfy hard floors; it must fit within adopted resource budgets; and only then may it compete on return, performance, speed, and strategic value.

SECTION 15. STRATEGIC DEVELOPMENT AGREEMENT.

- (a) A Tier III Facility, and a Tier II Facility receiving material Discretionary Public Development Value, shall execute an SDA before receiving the value or final extraordinary City approval.
- (b) The SDA shall include, as applicable:
- (1) site, option, lease, ground-rent, and public-infrastructure terms;
 - (2) MSED, Utility Requested Load, energy source, water envelope, expansion, and transfer restrictions;
 - (3) statutory and contractual cost responsibility;
 - (4) recurring fiscal floor and Growth Dividend;
 - (5) construction, financing, procurement, energization, employment, and operational milestones;
 - (6) deposits, guarantees, letters of credit, take-or-pay, forfeiture, reversion, clawback, and liquidated-damages terms;
 - (7) water, air, noise, fire, emergency, security, monitoring, and decommissioning obligations;
 - (8) local procurement, workforce, supplier, public-compute, research, or host-area commitments included in the competitive award;
 - (9) public reporting, audit rights, change control, and remedies; and
 - (10) a project-certainty covenant that the public parties will not reopen the ratified economic terms absent default, material modification, fraud, or lawful amendment.
- (c) Professional staff may negotiate. The Council shall ratify an SDA after public presentation of material economic terms. County ratification is required when County taxes, property, infrastructure, or discretionary value are involved.

SECTION 16. CONTRACTUAL REGIONAL GROWTH DIVIDEND.

- (a) A Tier II or Tier III Facility receiving Discretionary Public Development Value shall pay a Regional Growth Dividend equal to one-half of one percent of Eligible Digital Infrastructure Expenditures, unless the competitive award requires a higher payment.
- (b) The payment is contractual consideration for discretionary value and is not imposed solely as a condition of an ordinary permit available as of right.

(c) The Dividend shall be calculated and paid quarterly, with officer certification, related-party rules, audit rights, and record retention. Payroll is excluded. Ordinary taxes, statutory infrastructure costs, contractual incremental public costs, and legal compliance are not credits.

(d) When the State Digital Infrastructure Growth Surcharge becomes effective on the same base, the contractual payment is reduced dollar-for-dollar only to prevent duplicate payment, unless the bidder expressly offered an additional amount above the required floor.

(e) City receipts shall be deposited in a restricted Strategic Digital Infrastructure Fund and used for prepared districts, shared infrastructure, water alternatives, fiber, resilience, public compute, workforce, and other capacity-building purposes. General-fund transfer is prohibited except by later ordinance stating the specific emergency and amount.

SECTION 17. MEMPHIS DIGITAL INFRASTRUCTURE DEVELOPMENT DISTRICT NO. 1.

(a) The City hereby authorizes the creation and immediate development of Memphis Digital Infrastructure Development District No. 1 through EDGE/IDB or another lawful City-County vehicle using existing powers.

(b) Within fifteen days, the Mayor shall transmit to the Council and EDGE/IDB:

- (1) a site-selection protocol emphasizing industrial compatibility, separation from residential uses, electric and gas pathways, reclaimed-water potential, fiber, roads, emergency access, environmental baseline, and expansion;
- (2) an initial predevelopment budget and funding resolution;
- (3) an independent underwriting and engineering procurement plan; and
- (4) a proposed City-County participation agreement.

(c) Within fifteen business days, MLGW shall provide the preliminary District Deliverability Inventory required by the Master Delivery Compact. The inventory is not a reservation or service commitment.

(d) Within forty-five days, EDGE/IDB shall shortlist candidate sites through an open RFQ or comparable public process. Within seventy-five days, it shall seek option, ground-lease, or other control over one preferred site, subject to due diligence and public approval where required.

(e) No competitive solicitation may be released until the Interim Program Executive issues a positive Gate Viability Finding and the independent underwriter completes the Competitive Boundary Model. If those prerequisites are satisfied, EDGE/IDB shall publish the development package and competitive solicitation no later than Day 120.

(f) No City, EDGE/IDB, or project representative may describe District No. 1 service as accelerated, priority, firm, or faster, or state an energization date, without a written MLGW basis and the Interim Program Executive's certification that the public statement is supported by the current record.

(g) "Build ahead" during the interim means site control, surveys, baseline studies, preliminary engineering, utility studies, water strategy, rights-of-way, permits capable of being obtained before tenant selection, standard agreements, and long-lead procurement rights. No general-obligation debt or full speculative infrastructure construction is authorized without a separate public financing decision.

(h) Public or authority ownership with long-term ground leasing is preferred. A sale requires written findings that it produces greater risk-adjusted value and preserves performance and reversion rights.

(i) The district solicitation shall publish the hard floors, verified resource envelope, water standard, fiscal floor, standard SDA, bid security, evaluation method, and decision schedule. Qualified bidders compete for a finite position; no unsolicited announcement creates priority.

SECTION 18. INDEPENDENT UNDERWRITING AND CONFLICT FIREWALL.

- (a) Recruitment and advocacy staff may develop prospects but shall not make the sole fiscal, resource, or risk determination.
- (b) A Tier III SDA or district award requires an independent fiscal and infrastructure underwriting report and written conflict disclosures from decision participants.
- (c) Material contacts, bid criteria, evaluated terms, and final rationale shall be documented. Bona fide trade secrets and infrastructure-security information may be protected only as allowed by law.

SECTION 19. MILESTONES, WAREHOUSING, AND FORFEITURE.

- (a) No land option, district position, public commitment, or utility reservation may be held indefinitely. Each agreement shall contain financing, construction, procurement, and operation milestones.
- (b) Missed milestones cause automatic reduction, release, forfeiture, or reversion unless the responsible body grants a written, time-limited extension based on circumstances beyond the applicant's control and continued superior public value.
- (c) A district or capacity position is nontransferable without written approval and updated underwriting. The public parties may capture transfer value and may reject a transfer that weakens security, performance, or strategic return.

SECTION 20. OPERATING, REPORTING, AND ENFORCEMENT.

- (a) Tier II and Tier III Facilities shall provide annual reports on energy source and demand, water and WUE, equipment value and refresh, employment and procurement commitments, public payments, emissions and generator operation where lawfully reportable, incidents, and material changes.
- (b) The City may inspect, audit, require corrective action, suspend discretionary benefits, draw security, impose contract remedies, or seek injunctive relief for material noncompliance. Permit enforcement remains with the responsible agency.
- (c) The Program Administrator shall publish an annual regional dashboard showing aggregate committed MSED, Utility Requested Load, water demand, recurring revenue, district positions, useful infrastructure, and remaining adopted resource budgets, with lawful security redactions.

SECTION 21. PROJECT CERTAINTY.

Once a Facility has received final approvals and executed all required agreements, the City shall administer those approvals according to their terms. Political reconsideration alone is not grounds to reopen a lawful agreement. Material expansion, default, misrepresentation, ownership transfer where approval is required, or changed operations remains subject to review.

SECTION 22. PERMANENT SYSTEM DELIVERABLES.

Within one hundred eighty days, the Mayor, DPD, MLGW, EDGE/IDB, and participating County officials shall submit: (1) permanent UDC text; (2) the first regional resource budget; (3) District No. 1 status and financing plan; (4) the permanent Authority transition plan; (5) the State legislative package; and (6) an audit of every serious Tier II or Tier III inquiry and the status of any claimed vested right.

SECTION 23. EFFECTIVE DATE; MORATORIUM REPLACEMENT; NO GAP.

- (a) This ordinance becomes operative only when:
 - (1) the City has activated the Master Delivery Compact, designated the Interim Program Executive, and opened the common implementation record;
 - (2) DPD has published the Section 7 checklist and designated the Program Administrator;

- (3) the MLGW Large-Load Service and Capacity Policy, or an interim equivalent approved by the proper authority, is effective; and
- (4) the Council Attorney certifies the coordinated effective date and procedural route.
- (b) At the exact time this ordinance becomes operative, the pending data-center moratorium is withdrawn, repealed, superseded, or terminated through the procedurally appropriate action. There shall be no interval in which the moratorium is absent and the replacement standards are not operative.
- (c) If a severable provision is enjoined or invalidated, remaining provisions continue. If a core no-gap provision cannot legally become operative, the Council shall use the narrow sixty-day Tier III fallback described in the Action Plan until corrected.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MEMPHIS, TENNESSEE, AMENDING ORDINANCE NO. 5367, KNOWN AS THE MEMPHIS AND SHELBY COUNTY UNIFIED DEVELOPMENT CODE, TO ESTABLISH REGULATIONS FOR THE SITING, INITIAL DEVELOPMENT, CONSTRUCTION, EXPANSION, ALTERATION, AND OPERATION OF LARGE-SCALE DATA CENTERS; ESTABLISHING DATA CENTER DEVELOPMENT STANDARDS; PROHIBITING ROUTINE EVAPORATIVE AND ONCE-THROUGH COOLING; REQUIRING CLOSED-LOOP WATER-CIRCULATION SYSTEMS; PROHIBITING MAJOR WITHDRAWALS OF LOCAL WATER RESOURCES FOR DATA CENTER COOLING; REQUIRING WATER CONSERVATION AND MONITORING; REQUIRING PROGRESSIVE USE OF RENEWABLE AND NON-CARBON ELECTRICITY; ESTABLISHING A SCHEDULE FOR THE PHASE-OUT OF CARBON-BASED ELECTRICITY; ESTABLISHING REQUIREMENTS FOR EXPANSION OF EXISTING DATA CENTERS; PROVIDING FOR PUBLIC DISCLOSURE, REPORTING, ENFORCEMENT, PENALTIES, AND OTHER MATTERS RELATED THERETO.

WHEREAS, the City Council of Memphis recognizes that large-scale data centers can require substantial amounts of electricity, water, land, electrical infrastructure, cooling infrastructure, and other public resources; and

WHEREAS, the City Council recognizes its responsibility to protect the health, safety, welfare, environmental quality, water resources, neighborhoods, infrastructure, and long-term economic interests of the residents of Memphis; and

WHEREAS, the Tennessee Department of Environment and Conservation recognizes that local governments may address data center siting, zoning, land-use compatibility, noise, and local infrastructure matters through local governmental processes; and

WHEREAS, the City of Memphis possesses authority to regulate land uses and zoning within the City pursuant to applicable Tennessee law and the Memphis and Shelby County Unified Development Code; and

WHEREAS, the Memphis and Shelby County Unified Development Code was adopted by Ordinance No. 5367 and has been amended from time to time by the City Council; and

WHEREAS, the Memphis City Council has determined that data center development should be subject to standards appropriate to the scale and intensity of the use; and

WHEREAS, the City Council finds that the protection of water resources is a legitimate public purpose and that cooling technologies that continuously circulate water in closed systems can substantially reduce water consumption; and

WHEREAS, the City Council finds that routine evaporative cooling can result in continuing consumption of water through evaporation and can place unnecessary demands upon municipal and regional water resources; and

WHEREAS, the City Council finds that data center electricity demand can be substantial and that increasing reliance upon renewable and non-carbon energy sources is in the public interest; and

WHEREAS, the City Council further finds that the costs of electrical infrastructure required solely or primarily because of data center development should not be shifted to residential customers or unrelated commercial customers to the extent prohibited or regulated by Tennessee law; and

WHEREAS, the City Council enacted Ordinance No. 5982 establishing a temporary moratorium on certain data center permits in order to provide time for the City to study and establish appropriate permanent development standards; and

WHEREAS, the City Council now determines that permanent standards governing water, energy, environmental sustainability, development, expansion, and infrastructure are necessary;

NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, TENNESSEE:

SECTION 1.

DATA CENTER DEFINED.

The Memphis and Shelby County Unified Development Code shall be amended to establish the following definition:

“DATA CENTER” means a building, structure, campus, or collection of buildings and associated infrastructure principally used for the housing, operation, storage, processing, management, transmission, or distribution of digital information through electronic computing equipment, including servers, computer systems, artificial-intelligence computing equipment, telecommunications equipment, network equipment, data-storage equipment, environmental control systems, electrical systems, substations, backup power systems, cooling systems, and related infrastructure.

A facility shall be considered a Data Center regardless of whether its computing equipment is operated by the owner of the real property, a tenant, contractor, affiliate, subsidiary, or other entity.

SECTION 2.

LARGE DATA CENTER.

A “LARGE DATA CENTER” means a Data Center that:

A. has a projected electrical demand of twenty (20) megawatts or greater; or

B. is designed or intended to increase electrical demand to twenty (20) megawatts or greater within ten (10) years of initial occupancy.

The City Council may establish a lower threshold by subsequent amendment to the Unified Development Code.

SECTION 3.

APPLICABILITY.

The requirements of this Ordinance shall apply to:

- A. every new Large Data Center;
- B. every new Data Center proposed after the effective date of this Ordinance;
- C. every expansion of an existing Data Center that increases electrical demand, computing capacity, building area, cooling capacity, or water demand;
- D. every conversion of an existing building or property to Data Center use;
- E. every new Data Center campus or expansion of an existing Data Center campus; and
- F. any phased development where multiple buildings or facilities are operated under common ownership, control, management, or utility service.

SECTION 4.

DATA CENTER DEVELOPMENT APPROVAL REQUIRED.

No person shall establish, construct, expand, enlarge, or materially modify a Data Center unless the applicant has obtained all applicable zoning, land-use, site-plan, building, utility, environmental, and other approvals required by the City and applicable law.

No Data Center development shall be approved unless the applicant demonstrates compliance with this Ordinance.

SECTION 5.

DISCLOSURE OF ULTIMATE DEVELOPMENT.

Every application for a new Data Center shall disclose the maximum reasonably anticipated development of the property, including:

- A. ultimate building area;
- B. ultimate electrical demand;
- C. anticipated computing capacity;
- D. number and capacity of cooling systems;
- E. maximum anticipated water demand;
- F. proposed water sources;
- G. proposed wastewater discharge;
- H. backup-generation capacity;
- I. battery-storage capacity;

- J. renewable-energy generation or procurement;
- K. anticipated carbon-based electricity consumption; and
- L. all known phases of future development.

No applicant shall avoid the requirements of this Ordinance by dividing a single Data Center campus into separate buildings, ownership entities, applications, phases, or permits.

SECTION 6.

CLOSED-LOOP COOLING REQUIRED.

- A. All new Data Centers shall use closed-loop cooling systems.
- B. Cooling water shall be continuously circulated and reused within the cooling system.
- C. The cooling system shall be designed so that water is not routinely consumed through evaporation.
- D. Once-through cooling systems are prohibited.
- E. Open-loop cooling systems are prohibited.
- F. Routine evaporative cooling towers are prohibited.
- G. Routine cooling-water blowdown, bleed-off, or discharge is prohibited except where specifically approved by the City Engineer as necessary for system safety or maintenance and where the discharge complies with all applicable law.
- H. Acceptable cooling technologies may include:
 - 1. air cooling;
 - 2. dry cooling;
 - 3. direct-to-chip cooling;
 - 4. rear-door heat exchangers;
 - 5. immersion cooling;
 - 6. closed-circuit cooling;
 - 7. other non-evaporative technologies approved by the City Engineer.

SECTION 7.

PROHIBITION ON MAJOR LOCAL WATER WITHDRAWALS.

A. No Data Center shall use groundwater, surface water, municipal drinking water, aquifer water, river water, lake water, reservoir water, or other Local Water Resources for routine cooling operations if the withdrawal constitutes a Major Water Withdrawal.

B. No new private well shall be constructed for the primary purpose of supplying routine Data Center cooling.

C. No Data Center shall divert water from the Mississippi River, Wolf River, Nonconnah Creek, groundwater aquifers, reservoirs, lakes, or other local water resources for routine cooling operations unless expressly authorized by applicable law and separately approved by the City following a public review.

D. The City shall favor reclaimed, recycled, captured, non-potable, or otherwise non-freshwater sources where water is permitted for an authorized use.

E. No approval shall be granted where the proposed cooling-water demand would materially impair the City's ability to provide water for residential, public health, fire protection, environmental, agricultural, or other essential purposes.

SECTION 8. POTABLE WATER.

Routine Data Center cooling shall not use treated potable drinking water supplied through the City's public water system except for:

A. initial filling of an approved closed-loop cooling system;

B. replacement of unavoidable system losses;

C. emergency conditions;

D. maintenance necessary to protect equipment or public safety; or

E. another use expressly approved by the City.

No potable water shall be used for intentional evaporative cooling.

SECTION 9. INITIAL COOLING SYSTEM FILL.

The applicant shall disclose the volume of water required to initially fill the cooling system.

The City Engineer shall determine whether the proposed initial fill can be supplied without adversely affecting public water supply, fire protection capacity, wastewater capacity, or other essential municipal services.

The City may require phased filling or alternative water sources when necessary to protect municipal water capacity.

SECTION 10.

WATER CONSERVATION PLAN.

Every applicant shall submit a Water Conservation and Resource Protection Plan containing:

- A. cooling-system specifications;
- B. initial water-fill requirements;
- C. anticipated annual water consumption;
- D. anticipated maximum daily water consumption;
- E. water-source identification;
- F. anticipated makeup-water requirements;
- G. procedures preventing evaporation;
- H. procedures preventing routine discharge;
- I. leak-detection procedures;
- J. water-metering procedures;
- K. water-recycling procedures;
- L. emergency-water procedures;
- M. wastewater-management procedures; and
- N. certification by a Tennessee-licensed professional engineer.

SECTION 11.

SEPARATE WATER METERING.

Every Data Center shall install meters capable of separately measuring:

- A. total water entering the facility;
- B. cooling-system water;
- C. makeup water;
- D. water used for non-cooling purposes; and
- E. wastewater discharge where technically feasible.

The City shall have the right to inspect and verify such meters.

SECTION 12.

WATER REPORTING.

Every Data Center shall submit an annual report to the City containing:

- A. total water consumption;
- B. total cooling-water consumption;
- C. makeup-water consumption;
- D. water source;
- E. initial cooling-system fill;
- F. water lost through leakage;
- G. any authorized discharge;
- H. any emergency withdrawal; and
- I. certification by the facility owner or authorized representative.

The City may make such information available to the public subject to applicable trade-secret and public-records law.

SECTION 13.

RENEWABLE ENERGY REQUIREMENT.

Every new Data Center shall obtain electricity from qualifying renewable or other non-carbon energy resources according to the following schedule:

- A. Beginning upon commencement of commercial operation:

Not less than sixty percent (60%) of annual electricity consumption shall be matched by qualifying renewable or non-carbon electricity.

- B. Beginning three (3) years after commencement of commercial operation:

Not less than seventy-five percent (75%) shall be matched by qualifying renewable or non-carbon electricity.

- C. Beginning six (6) years after commencement of commercial operation:

Not less than ninety percent (90%) shall be matched by qualifying renewable or non-carbon electricity.

- D. Beginning ten (10) years after commencement of commercial operation:

One hundred percent (100%) shall be matched by qualifying renewable or non-carbon electricity.

SECTION 14.

QUALIFYING RENEWABLE ENERGY.

Qualifying renewable electricity may include electricity generated from:

- A. solar;
- B. wind;
- C. geothermal;
- D. qualifying hydroelectric resources;
- E. onsite renewable generation;
- F. qualifying utility renewable-energy programs;
- G. long-term renewable power-purchase agreements;
- H. community renewable-energy programs; or
- I. other renewable-energy procurement mechanisms approved by the City Attorney.

Renewable Energy Certificates may be used for compliance only where legally recognized and where the certificates are retired for the benefit of the Data Center.

SECTION 15.

CARBON-BASED ELECTRICITY PHASE-OUT.

A. Routine electricity consumption from coal, petroleum, natural gas, diesel, gasoline, fuel oil, or other fossil-fuel generation shall be progressively reduced.

B. No new Data Center shall exceed the following annual carbon-based electricity limits:

- 1.
Years 1-3: forty percent (40%);
- 2.
Years 4-6: twenty-five percent (25%);
- 3.
Years 7-9: ten percent (10%);
- 4.
Year 10 and thereafter: zero percent (0%).

C. Carbon-based backup generators shall not be considered routine electricity sources when operated solely for emergency response, legally required testing, maintenance, or grid emergency purposes.

SECTION 16.

FOSSIL-FUEL BACKUP GENERATORS.

A. New Data Centers shall minimize reliance upon fossil-fuel emergency generation.

B. Fossil-fuel generators may operate only:

1.
during electrical outages;
2.
during declared emergencies;
3.
during required testing;
4.
during maintenance;
5.
to protect life or critical equipment; or
6.
when required by the applicable electric utility or governmental emergency authority.

C. No fossil-fuel generator may serve as the routine primary electrical supply for a Data Center.

D. New Data Centers shall evaluate battery storage and renewable backup generation as alternatives to fossil-fuel generation.

SECTION 17.

EXPANSION OF EXISTING DATA CENTERS.

A. No expansion may proceed without demonstrating compliance with this Ordinance.

B. An expansion that increases the facility's electrical demand by twenty percent (20%) or more shall be reviewed as a new Large Data Center.

C. An expansion that increases water demand shall demonstrate that the increased demand complies with Sections 6 through 12.

D. Replacement of cooling equipment shall comply with the closed-loop, non-evaporative requirements of this Ordinance.

E. A facility shall not avoid these requirements through phased expansion.

SECTION 18.

EXISTING DATA CENTERS.

Existing Data Centers lawfully operating before the effective date of this Ordinance may continue their lawful operations, subject to applicable existing law.

However, existing Data Centers shall submit to the City, within twelve (12) months of the effective date of this Ordinance:

- A. a water-use report;
- B. a cooling-system description;

- C. electrical consumption data;
- D. renewable-energy procurement information;
- E. fossil-fuel generator information;
- F. maximum electrical demand;
- G. maximum water demand; and
- H. an expansion plan, if applicable.

No major expansion shall be approved unless the facility complies with this Ordinance.

SECTION 19.

ELECTRICAL INFRASTRUCTURE COSTS.

Nothing in this Ordinance shall authorize the City or any municipal utility to violate Tennessee law.

To the extent permitted by law, a Data Center applicant shall identify and be responsible for incremental electrical infrastructure costs attributable to its proposed development.

The City shall not voluntarily absorb Data Center-specific infrastructure costs where such absorption is prohibited by Tennessee law.

The applicant shall provide documentation demonstrating the anticipated electrical infrastructure requirements associated with the project.

SECTION 20.

GRID AND ENERGY IMPACT STATEMENT.

Before approval of a Large Data Center, the applicant shall provide:

- A. projected electrical demand;
- B. expected annual electricity consumption;
- C. expected peak demand;
- D. anticipated interconnection requirements;
- E. proposed renewable-energy procurement;
- F. proposed energy-storage capacity;
- G. expected carbon-based electricity consumption;
- H. anticipated electrical infrastructure requirements; and

I. documentation from the serving electric utility concerning available service and anticipated infrastructure requirements, to the extent such documentation may lawfully be obtained.

SECTION 21.

PUBLIC DISCLOSURE.

Except for information protected by applicable trade-secret law, proprietary information law, cybersecurity requirements, or other applicable law, the City shall maintain a publicly accessible Data Center Development Register containing:

- A. approved Data Centers;
- B. pending applications;
- C. electrical demand;
- D. projected water demand;
- E. water-source information;
- F. cooling technology;
- G. renewable-energy percentage;
- H. carbon-based electricity percentage;
- I. backup-generation capacity;
- J. major expansion applications; and
- K. annual compliance reports.

SECTION 22.

ANNUAL COMPLIANCE CERTIFICATION.

Each Data Center shall annually certify compliance with this Ordinance.

The certification shall be signed by an authorized officer, manager, or responsible engineer of the facility.

Knowingly submitting false information shall constitute a violation of the Memphis Code of Ordinances.

SECTION 23.

ENFORCEMENT.

The City may enforce this Ordinance through all remedies available under the Memphis Code of Ordinances and applicable Tennessee law.

Available remedies may include:

- A. notices of violation;
- B. civil penalties;
- C. suspension of permits;
- D. denial of expansion applications;
- E. revocation of approvals where legally authorized;
- F. injunctive relief;
- G. recovery of enforcement costs where authorized by law; and
- H. any other remedy authorized by law.

Each day of continuing violation may constitute a separate violation where permitted by law.

SECTION 24. PERMIT CONDITION.

Compliance with this Ordinance shall be a condition of:

- A. zoning approval;
- B. site-plan approval;
- C. special-use approval;
- D. building-permit approval;
- E. certificate of occupancy;
- F. approval of a material expansion; and
- G. other applicable development approvals.

SECTION 25. NO PREEMPTION OF STATE OR FEDERAL AUTHORITY.

Nothing in this Ordinance shall be construed to regulate matters exclusively reserved to the State of Tennessee, the Tennessee Valley Authority, the Tennessee Public Utility Commission, the Federal Energy Regulatory Commission, or the federal government.

Where state or federal law regulates electricity generation, transmission, utility rates, or environmental permitting, this Ordinance shall operate through the City's lawful zoning, land-use, development, building, water, infrastructure, and permitting authority.

SECTION 26.

IMPLEMENTATION THROUGH THE UNIFIED DEVELOPMENT CODE.

The Memphis and Shelby County Unified Development Code, Ordinance No. 5367, shall be amended as necessary to incorporate the provisions of this Ordinance into the applicable use, development, site-plan, special-use, performance-standard, and permitting sections of the Code.

The Division of Planning and Development, in consultation with the City Attorney, Memphis Light, Gas and Water Division, Memphis Department of Public Works, Memphis Department of Engineering, and other appropriate agencies, shall prepare conforming amendments necessary to implement this Ordinance.

SECTION 27. ADMINISTRATIVE RULES.

The Director of Planning and Development, City Engineer, Water Services Director, Sustainability Officer, or their designees may promulgate reasonable administrative rules necessary to administer this Ordinance.

Such rules shall not exceed the authority granted by this Ordinance or applicable law.

SECTION 28. REVIEW OF ORDINANCE.

The City Council shall receive an annual report concerning Data Center compliance, including:

- A. water consumption;
- B. water-source impacts;
- C. electrical demand;
- D. renewable-energy use;
- E. carbon-based electricity use;
- F. infrastructure costs;
- G. emergency-generator operation;
- H. violations;
- I. enforcement actions; and
- J. recommended amendments.

SECTION 29. SEVERABILITY.

If any section, subsection, paragraph, sentence, clause, phrase, or provision of this Ordinance is determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions.

**SECTION 30.
EFFECTIVE DATE.**

This Ordinance shall take effect upon passage according to the procedures prescribed by the Charter of the City of Memphis and applicable Tennessee law.

**SECTION 31.
CODIFICATION.**

The City Clerk is directed to cause this Ordinance to be incorporated into the Code of Ordinances of the City of Memphis and the applicable portions of the Memphis and Shelby County Unified Development Code.

PASSED AND ADOPTED this ____ day of _____, 2026.

**CHAIRWOMAN / CHAIRMAN
MEMPHIS CITY COUNCIL**

ATTEST:

CITY COMPTROLLER / CITY CLERK

APPROVED:

**MAYOR
CITY OF MEMPHIS**

ORDINANCE NO. 5982

AN ORDINANCE DECLARING A TEMPORARY MORATORIUM ON THE ACCEPTANCE, PROCESSING, APPROVAL, AND ISSUANCE OF ZONING, LAND USE, BUILDING, AND OTHER ASSOCIATED INFRASTRUCTURE PERMITS FOR DATA CENTER DEVELOPMENTS WITHIN THE CITY OF MEMPHIS

WHEREAS, pursuant to Tennessee Code Annotated § 13-7-201, the Memphis City Council possesses the authority to regulate land use, zoning, and development to protect the public health, safety, and welfare of its citizens; and

WHEREAS, there has been substantial growth nationwide and throughout Tennessee in the development of large-scale data centers and high-density computing facilities supporting cloud computing, artificial intelligence, digital storage, cryptocurrency operations, and other advanced computing technologies; and

WHEREAS, modern data centers differ significantly from traditional commercial and industrial developments because they may require exceptionally high electrical loads, extensive backup generation systems, electrical substations, battery storage systems, mechanical cooling equipment, water resources, telecommunications infrastructure, and continuous twenty-four-hour operations; and

WHEREAS, such facilities may generate impacts relating to electrical infrastructure capacity, water consumption, wastewater management, stormwater runoff, emergency services, traffic, lighting, vibration, noise, air quality, fuel storage, public utilities, and surrounding neighborhoods; and

WHEREAS, the Memphis and Shelby County Unified Development Code does not presently classify or comprehensively regulate data center developments as a distinct land use and therefore does not specifically address their unique operational characteristics or potential community impacts; and

WHEREAS, additional study is necessary before permitting additional data center developments to ensure that appropriate zoning classifications, siting standards, buffering requirements, operational standards, utility protections, environmental safeguards, and community protections are established; and

WHEREAS, a temporary moratorium should serve as a defined planning and regulatory-development period and not as an indefinite or blanket prohibition, and should culminate in a transparent framework identifying where qualifying facilities may appropriately be located, what information applicants must submit, how proposed projects will be evaluated regardless of energy source, and how affected communities will participate in the process; and

WHEREAS, meaningful public participation should occur before the City designates preferred areas for future data center development so that neighborhood impacts, infrastructure needs, environmental concerns, economic opportunities, and community priorities may inform the final siting and regulatory framework; and

WHEREAS, a temporary moratorium is necessary to prevent applications from vesting under existing regulations while the City undertakes the community-engagement, study, siting, and permanent-regulation process established by this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MEMPHIS:

SECTION 1. DEFINITIONS

For purposes of this Ordinance, the following terms shall have the meanings set forth below:

Affiliated Facility means a facility, phase, parcel, project entity, tenant, or power-supply arrangement under common ownership or control, developed pursuant to a common plan, sharing material infrastructure, or located on contiguous or proximate parcels.

Data Center means any building, structure, campus, or facility primarily designed for housing, operating, or maintaining computer servers, data storage equipment, networking equipment, telecommunications infrastructure, or other electronic systems used for processing, transmitting, or storing digital information, together with all associated cooling systems, backup generators, substations, battery storage, mechanical equipment, and supporting infrastructure.

High-Density Computing Facility means any facility engaged primarily in artificial intelligence processing, cryptocurrency mining, commercial server farming, or other computing activities requiring substantial electrical demand or specialized computing equipment.

Maximum Site Electrical Demand or MSED means the greatest projected coincident electrical demand of the complete facility or campus during its first five (5) years after initial operation, regardless of whether supplied by Memphis Light, Gas and Water (“MLGW”), a TVA-connected service, an independent power producer, behind-the-meter generation, onsite generation, storage, or any combination thereof, measured before subtracting onsite generation or storage.

Utility Requested Load means the maximum firm or interruptible electric demand an applicant requests from MLGW, excluding generation not supplied by MLGW.

Discretionary Public Development Value means a PILOT, public land sale or lease, option, grant, public financing, public infrastructure commitment not available as of right, expedited district position, or other discretionary City-controlled economic value. Ordinary permits and utility service available under generally applicable law and rates shall not constitute Discretionary Public Development Value.

Eligible Digital Infrastructure Expenditures means the purchase or lease price of servers, processors, accelerators, storage devices, networking and switching equipment, racks, qualified software, cooling equipment, backup or onsite generation equipment, and other capital equipment installed for the facility, excluding payroll, employee benefits, debt service, taxes, and land purchase price.

SECTION 2. TEMPORARY MORATORIUM

Beginning on the effective date of this Ordinance, the City of Memphis may continue to accept applications for the limited purposes of docketing and completeness review; provided, however, that no application subject to this Section shall be processed, scheduled, heard, approved, or issued during the moratorium.

All review deadlines otherwise applicable under state law, the Memphis and Shelby County Unified Development Code, or administrative rule shall be tolled to the extent permitted by law for the duration of the moratorium.

During the moratorium, the Memphis and Shelby County Division of Planning and Development shall not process any of the following for a new Data Center or High-Density Computing Facility located within the corporate limits of the City of Memphis:

1. Rezoning applications;
2. Planned development applications;
3. Special use permits;
4. Conditional use permits;
5. Site plan approvals;
6. Building permits;
7. Grading permits;
8. Land disturbance permits; or
9. Any other discretionary land-use approval.

No City department, board, commission, agency, or official shall approve any application subject to this Section during the moratorium except as expressly provided in Section 3 of this Ordinance.

SECTION 3. EXEMPTIONS

The moratorium established by this Ordinance shall **not** apply to:

A. Existing lawfully operating Data Centers or High-Density Computing Facilities that do not expand their building footprint, electrical demand, utility capacity, or operational intensity;

B. Applications legally vested pursuant to applicable state or local law prior to the introduction of this Ordinance;

C. Routine maintenance, repair, replacement, or modernization of an existing facility that does not materially increase operational impacts;

D. Accessory Computing Uses. Computer servers, data storage equipment, networking equipment, telecommunications equipment, or related computing infrastructure that is accessory or incidental to another lawful principal use of property and primarily serves the operational needs of such principal use. This exclusion includes, without limitation, computing infrastructure accessory to hospitals and healthcare facilities, financial institutions, educational institutions, governmental facilities, offices, retail establishments, manufacturing facilities, telecommunications facilities, and similar principal uses; and

E. A waiver granted by the Memphis City Council upon written findings that strict application of the moratorium would deny an applicant all economically viable use of the property. An applicant may initiate the waiver process through the Memphis and Shelby County Division of Planning and Development utilizing the applicable appeal process to the Council.

SECTION 4. STUDY AND PERMANENT REGULATORY DELIVERABLES

During the moratorium period, the Memphis and Shelby County Division of Planning and Development, working in coordination with MLGW, the Shelby County Health Department, Memphis Fire Department, Engineering Division, Public Works Division, EDGE/IDB, and such other departments, agencies, or entities as may be appropriate, shall prepare recommendations for comprehensive permanent zoning and development regulations governing Data Centers and High-Density Computing Facilities.

The study and recommendations shall evaluate, at a minimum:

1. Appropriate zoning districts and permitted locations;
2. Classification of facilities by size, MSFD, Utility Requested Load, water demand, and operational intensity;
3. Minimum separation distances and buffering from residential neighborhoods, schools, parks, hospitals, greenways, and other sensitive land uses;
4. Noise mitigation standards, including operational sound limits and acoustic studies;
5. Water consumption, cooling technologies, conservation measures, reclaimed-water alternatives, and protection of the Memphis Sand aquifer;
6. Wastewater discharge requirements;
7. Stormwater management standards;

8. Lighting and visual-screening requirements;
9. Emergency access and fire-protection requirements;
10. Backup generator operations, onsite generation, battery systems, and fuel storage;
11. Electrical infrastructure impacts, including substations and transmission improvements;
12. Allocation of infrastructure costs to developers to ensure that public utility customers are not responsible for costs attributable to new high-demand facilities;
13. Traffic impacts during construction and operation;
14. Environmental sustainability measures; including but not limited to renewable, clean and green energy.
15. Public-notification and community-engagement requirements;
16. A substantial-compliance checklist consistent with Section 7;
17. A source-neutral energy review framework consistent with Section 8;
18. A designated data center development area or areas consistent with Section 6; and
19. Any additional development standards reasonably necessary to ensure compatibility with surrounding land uses and protection of the public health, safety, and welfare.
20. The feasibility of a community benefits agreement for the long-term financial benefits of the community, including Section 9 of this ordinance.

The permanent regulatory recommendations shall be presented to the Memphis City Council no later than one hundred eighty (90) days following the effective date of this Ordinance, unless the Council authorizes additional time based upon a written progress report demonstrating the need for such additional time.

SECTION 5. COMMUNITY ENGAGEMENT AND PUBLIC INPUT

A. The City Council, in conjunction with the Office of Comprehensive Planning, shall conduct a structured community-engagement process during the moratorium and prior to recommending or adopting any designated area for future Data Center or High-Density Computing Facility development.

B. The Memphis City Council, in conjunction with the Office of Comprehensive Planning, shall conduct no fewer than three (3) public community meetings. Such meetings shall be geographically distributed throughout the City of Memphis and shall include at least one (1) meeting held at a location reasonably accessible to residents of an area in which a Data Center or High-Density Computing Facility is located and operating as of the effective date of this Ordinance.

C. The community-engagement process shall solicit public input concerning, at a minimum:

1. Land-use compatibility;
2. Proximity to residential neighborhoods and sensitive land uses;
3. Water and energy impacts;
4. Air quality and noise;
5. Traffic and construction impacts;
6. Emergency services;
7. Environmental justice and cumulative impacts;
8. Infrastructure needs;
9. Workforce-development and contracting opportunities;
10. Community benefits; and
11. Appropriate uses of revenues or capital contributions associated with future projects.

D. The Office of Comprehensive Planning shall maintain a public-comment period of not fewer than thirty (30) days and shall make available to the public, to the extent permitted by law, non-confidential maps, criteria, studies, agency findings, and other materials used to evaluate potential candidate areas.

E. Following completion of the community-engagement process and prior to Council consideration of any permanent siting map, designated development area, or comprehensive permanent regulatory framework, the Office of Comprehensive Planning shall transmit to the Memphis City Council a final Community Engagement Report. The report shall summarize:

1. The meetings conducted;
2. Public comments received;
3. Principal community concerns and recommendations;
4. Responses from relevant City departments and agencies; and
5. Any material changes made or recommended to the proposed siting or regulatory framework as a result of public input.

SECTION 6. DESIGNATED DATA CENTER DEVELOPMENT AREA OR AREAS

A. Following completion of the community-engagement process required by Section 5, the Memphis and Shelby County Division of Planning and Development, in consultation with MLGW, Public Works, Engineering, the Memphis Fire Department, the Shelby County Health

Department, EDGE/IDB, and other appropriate agencies, shall identify and recommend to the Memphis City Council one or more areas in which future Data Centers and High-Density Computing Facilities may be permitted, subject to comprehensive permanent development standards.

B. The site-selection analysis shall consider, at a minimum:

1. Industrial compatibility;
2. Separation and buffering from residential neighborhoods and sensitive land uses;
3. Existing and planned electric and gas infrastructure;
4. MSED and utility deliverability;
5. Reclaimed water and wastewater potential;
6. Protection of the Memphis Sand aquifer;
7. Fiber availability;
8. Road capacity;
9. Emergency access;
10. Environmental baseline conditions;
11. Air and noise burdens;
12. Stormwater impacts;
13. Brownfield or previously industrial land opportunities;
14. The ability of a facility to expand without encroaching upon residential neighborhoods;
and
15. The cumulative impact of multiple facilities.

C. The Division of Planning and Development shall present to the Memphis City Council a proposed map, objective siting criteria, and any amendments to the Unified Development Code determined to be necessary. No area shall become a designated data center development area solely through administrative action. Final designation shall require approval by the Memphis City Council through the legally required land-use and ordinance process.

D. Designation of an area shall not guarantee approval of any individual project, reserve utility capacity, waive any permit or regulatory requirement, or create any vested right. Each future project shall remain subject to all applicable laws, permanent development standards, utility requirements, and project-specific review.

SECTION 7. SUBSTANTIAL COMPLIANCE CHECKLIST

A. To the extent applicable under Tennessee Code Annotated §§ 13-4-310(e) and 13-3-413(e), and as part of the permanent framework developed during the moratorium, an application for a qualifying Data Center or High-Density Computing Facility shall not be deemed substantially compliant unless it includes, at a minimum:

1. Legal site control and parcel identification;
2. Ownership, control, end-user, and affiliate disclosure;
3. A full-campus conceptual plan and phase schedule;
4. MSSED, Utility Requested Load, annual ramp, and interconnection assumptions;
5. An Energy Supply and Operations Plan disclosing all utility, independent-power, onsite, backup, storage, fuel, and hybrid components;
6. Potable, nonpotable, reclaimed, process, peak, drought-stage, and wastewater projections, cooling technology, and proposed water-use efficiency;
7. Noise, air, fuel, battery, fire, emergency, traffic, stormwater, and decommissioning concepts;
8. Evidence of financial capacity and payment of any lawfully required published study deposits;
9. A complete list of requested Discretionary Public Development Value; and
10. Certification under penalty of applicable law that no Affiliated Facility or material phase has been omitted.

B. The Division of Planning and Development shall publish the proposed checklist for public review before permanent regulations become operative and may recommend only objective, publicly posted technical requirements. No unpublished or open-ended standard shall determine substantial compliance.

C. Nothing contained in this Section shall authorize approval of a project during the moratorium. This Section establishes the minimum application framework to be incorporated into permanent regulations or otherwise implemented through the legally appropriate process before termination of the moratorium.

SECTION 8. TWO ENERGY PATHS; ONE FULL-SITE RECORD

A. Utility-Served and Hybrid Facilities. An applicant seeking MLGW electric service shall obtain the applicable MLGW study or readiness statement and comply with all applicable MLGW large-load service and capacity requirements. No City approval shall constitute or be construed as a reservation or guarantee of electric capacity.

B. Self-Supplied or Behind-the-Meter Facilities. An applicant proposing no MLGW electric service, or proposing onsite generation or an independent power producer, shall submit an Energy Supply and Operations Plan addressing full MSED, generation technology, fuel supply, expected operating hours, air emissions, noise, cooling and water requirements, electrical safety, islanding, interconnection, if applicable, emergency operation, fire protection, fuel storage, decommissioning, and construction phasing.

C. MLGW approval shall be required only to the extent required by applicable law, contract, utility service, interconnection, backup service, or safety requirements. The absence of MLGW jurisdiction over a private power arrangement shall not exempt a facility from applicable land-use, air, water, fire, building, noise, traffic, fiscal, or other lawful local requirements.

D. A hybrid facility shall disclose both MSED and Utility Requested Load. City review shall evaluate the complete facility and shall not treat a self-supplied campus as consuming no public or environmental resources solely because its Utility Requested Load is zero.

SECTION 9. STUDY OF A STRATEGIC DATA CENTER CAPITAL EXPENDITURE FUND

A. As part of the study required by Section 4, the City shall evaluate the feasibility and legality of establishing a Strategic Data Center Capital Expenditure Fund (the “proposed Fund”) to support lawful capital investments for the public good. The study shall identify permissible funding sources and uses, fiscal requirements, and any further Council action necessary to establish, fund, administer, and oversee the proposed Fund.

B. The study shall evaluate whether the proposed Fund could lawfully receive:

1. Memphis City Council appropriations;
2. Grants and intergovernmental transfers;
3. Proceeds dedicated by separate ordinance; and
4. Contractual capital contributions negotiated in connection with Discretionary Public Development Value, including a Strategic Development Agreement, PILOT, public land transaction, public infrastructure commitment, or other discretionary economic-development arrangement.

C. The study shall evaluate the legal authority and practical feasibility of negotiating recurring contractual capital contributions from a Data Center or High-Density Computing Facility receiving material Discretionary Public Development Value. The evaluation shall consider potential methods for calculating contributions, project economics, public return, and the circumstances under which a contribution would be appropriate.

The study shall distinguish contributions negotiated through a lawful contract, incentive agreement, land instrument, or other valid legal authority from charges imposed as a condition of an ordinary permit otherwise available as of right. This subsection does not impose a payment obligation or establish a negotiating floor.

D. The study shall evaluate the lawful capital purposes for which money in the proposed Fund could be used, including but not limited to: :

1. Shared utility and public infrastructure;
2. Water and wastewater infrastructure and water alternatives;
3. Road, drainage, and stormwater improvements;
4. Environmental-monitoring infrastructure;
5. Resilience and emergency response infrastructure;
6. Fiber or other public digital infrastructure;
7. Public-compute or research infrastructure;
8. Capital improvements in host or impacted communities, and
9. Other capital projects determined by the Memphis City Council to serve the public good, to the extent permitted by applicable law

The study shall further evaluate lawful ways to prioritize Memphis residents and businesses in employment, contracting, and projects supported by the proposed Fund, consistent with applicable procurement, funding, and other legal requirements.

The study shall also consider how to distinguish additional community benefits from ordinary taxes, legally required infrastructure costs, and compliance with generally applicable law.

E. The study shall recommend appropriate Council oversight and financial controls if the proposed Fund is established, including an annual report of receipts, contractual sources, expenditures, encumbrances, project purposes, and remaining balance. It shall also evaluate whether transfers to the General Fund may lawfully be prohibited or conditioned on a subsequent ordinance stating the purpose and amount of the transfer.

F. This Section directs further study only. It does not establish the proposed Fund, dedicate revenue, impose a contribution, authorize an expenditure, or restrict a transfer of existing City funds. Any such action shall require subsequent Council approval in accordance with applicable law.

SECTION 10. MORATORIUM EXIT FRAMEWORK AND PROGRESS REPORTS

A. The purpose of this moratorium is to establish a defined period for community engagement, study, siting analysis, and development of comprehensive permanent regulations governing Data Centers and High-Density Computing Facilities.

Accordingly, prior to termination of the moratorium pursuant to the permanent-regulation provisions of Section 11, the City shall, through the legally appropriate process:

1. Complete the community-engagement process required by Section 5 and transmit the final Community Engagement Report to the Memphis City Council;
2. Adopt or formally act upon a designated data center development area or areas and objective siting criteria pursuant to Section 6;
3. Publish and adopt, as legally appropriate, the substantial-compliance requirements contemplated by Section 7;
4. Adopt a source-neutral, full-site energy disclosure and review framework consistent with Section 8;
5. Establish the fiscal and administrative mechanisms necessary to receive and administer the Fund described in Section 9; and
6. Adopt comprehensive permanent zoning and development standards addressing the subjects identified in Section 4.

B. The Division of Planning and Development shall provide a written progress report to the Memphis City Council within ninety (90) days following the effective date of this Ordinance and every ninety (90) days thereafter for so long as the moratorium remains in effect.

Each progress report shall identify, at a minimum:

1. Tasks completed;
2. Tasks remaining;
3. Community engagement completed;
4. Candidate siting analysis undertaken;
5. Interagency coordination;
6. Draft regulatory provisions developed; and
7. Any legal, administrative, technical, or other obstacle that may delay adoption and operative implementation of the permanent regulatory framework.

SECTION 11. DURATION

A. Except as otherwise provided herein, the moratorium established by this Ordinance shall remain in full force and effect until the earliest to occur of the following:

1. Twelve (12) months following the effective date of this Ordinance;
2. Following completion of the community-engagement process and submission of the final Community Engagement Report required by Section 5, adoption and operative implementation by the Memphis City Council of comprehensive zoning and development regulations governing Data Centers and High-Density Computing Facilities, including the regulatory framework contemplated by Section 10 of this Ordinance; or
3. Repeal, modification, or termination of the moratorium by subsequent ordinance of the Memphis City Council.

B. For purposes of subsection A(2), completion of the community-engagement process or submission of the final Community Engagement Report, standing alone, shall not terminate the moratorium. Termination pursuant to subsection A(2) shall occur only after both:

1. Completion of the community-engagement and reporting requirements established by this Ordinance; and
2. Adoption and operative implementation of the comprehensive permanent zoning and development regulations contemplated by this Ordinance.

SECTION 12. SEVERABILITY

The provisions of this Ordinance are hereby declared severable. If any section, subsection, provision, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be unconstitutional, invalid, or otherwise unenforceable by a court of competent jurisdiction, such determination shall not affect the validity or enforceability of the remaining portions of this Ordinance, which shall remain in full force and effect.

SECTION 13. EFFECTIVE DATE

This Ordinance shall take effect from and after the date it shall have been passed by the Memphis City Council, signed by the Chair of the Council, certified and delivered to the Office of the Mayor in writing.

Sponsors:
JB Smiley, Jr.
Jana Swearengen-Washington
Jerri Green
Dr. Michalyn Easter-Thomas

Chairwoman
Jana Swearengen-Washington

SUBSTITUTE ORDINANCE NO. 5890

SUBSTITUTE ORDINANCE TO AMEND ORDINANCE NO. 5856 THAT ESTABLISHED RULES AND REGULATIONS RELATING TO THE OPERATION AND REGULATION OF SHORT-TERM RENTALS IN MEMPHIS BY AMENDING SECTION 8 “COMPLIANCE” TO DETAIL ENFORCEMENT OF SHORT-TERM RENTALS REPORTED AS A “PUBLIC NUISANCE”

WHEREAS, Ordinance No. 5856 was adopted by the Memphis City Council on July 1, 2023, to establish rules and regulations relating to the operation and regulation of short-term rentals in Memphis; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13, the rules and regulations relating to the operation and regulation of short-term rentals in Memphis established by Ordinance No. 5856 does not apply to property if the property was being used as a short-term rental unit by the owner of the property prior to the enactment of Ordinance No. 5856 (“STR Exclusion”); and

WHEREAS, STR Exclusion does not apply to any in violation of any state law no matter when adopted or to any ordinance or local law of general application in existence before January 1, 2014 regardless of the property’s pre existing use as a short-term rental unit by the owner of the property;

WHEREAS, STR Exclusion does not apply to any in violation of any ordinance or local law of general application in existence before the owner of the property began to advertise or use the property as a short term rental property;

WHEREAS, the Memphis City Council finds it is necessary to amend Ordinance No. 5856 to provide greater specificity of the state laws, ordinances and regulations that are generally applicable to all properties in the City, including short-term rental operators regardless of the date that the owner of the property began to advertise or use the property as a short term rental property and to incorporate and adopt remedies available under state law for such violations..

NOW, THEREFORE, BE IT ORDAINED by the Memphis City Council that Section 8 of Ordinance No. 5856 be amended by renumbering and restating Section 8 as Section 8.01 and by adding additional sections relating to compliance by Short Term Rental owners and occupants with state laws, ordinances and regulations that are generally applicable to all properties in the City, including short-term rental properties regardless of the date that the owner of the property began to advertise

or use the property as a short term rental property and the enforcement of such laws as follows:

8.01 Compliance. Except as provided in Sections 8.02 and 8.03, it is the intent of the Council of the City of Memphis that complaints regarding short term rental property be resolved according to existing state law and City of Memphis Ordinances pertaining to public nuisances, vehicles, traffic, health and safety, and public peace, morals, and general welfare. The continued use of property as a Short Term rental unit will be prohibited, and the permit revoked, if, as a direct result of the operation of the Short Term rental unit, the unit has been found to be in violation of a generally applicable state law or a generally applicable local law three (3) or more separate times by a court of competent jurisdiction, and the provider has no appeal rights remaining for any of the three (3) violations. The burden of proof that a violation of a generally applicable local law was a direct result of the operation of the Short Term rental unit is on the City or the party alleging a violation.

8.02 State Laws Generally Applicable to All City Properties Including All Short Term Rental Units. It is the intent of the Council of the City of Memphis that complaints regarding short term rental property be resolved according to state laws now existing or subsequently enacted pertaining to public nuisances, vehicles and traffic, health and safety, and public peace, morals, and welfare regardless the property's pre-existing use as a short-term rental unit by the owner of the property or the number of prior violations unless the applicable state law provides otherwise.

8.03. Local Laws Generally Applicable to All City Properties Including All Short Term Rental Units. It is the intent of the Council of the City of Memphis that complaints regarding short term rental property be resolved according to any ordinance or local law of general application pertaining to public nuisances, vehicles, traffic, health and safety, public peace, morals, and general welfare in existence before January 1, 2014 regardless the property's pre-existing use as a short-term rental unit by the owner of the property or the number of prior violations.

8.04. Enforcement. When a public nuisance, as defined in Tennessee Code Annotated § 29-3-101, §13-21-103 or in any generally applicable ordinance or local law, is kept, maintained, carried on, or exists in the City, a bill or petition may be filed in the chancery, circuit, and criminal courts and any court designated as an environmental court pursuant to chapter 426 of the Public Acts of 1991, chapter 212 of the Public Acts of 1993 or chapter 667 of the Public Acts of 2002 to abate such public nuisances. Any such bill or petition may be filed in the name of the state,

City or County, upon relation of the attorney general and reporter, or any district attorney general, or any city or county attorney, or without the concurrence of any such officers, upon the relation of ten (10) or more citizens and freeholders of the county wherein such nuisances may exist, and adjudicated in the manner provided in Tennessee Code Annotated Title 29, chapter 3 or Title 13, Chapter 1.

8.05 Remedies. (a) In addition to the remedies provided in Tennessee Code Annotated Title 29, chapter 3 or Title 13, Chapter 1 for injunctive relief or remediation, if the court finds a nuisance as described in 8.03 and 8.04 and the person or entity keeping, maintaining, or carrying on such nuisance is the person or entity who was subject to a previous order of abatement or injunction, then, in addition to the remedies available at law or in equity, the court may require the person or entity keeping, maintaining, or carrying on such nuisance to pay damages in an amount not less than one thousand dollars (\$1,000) and not more than fifty thousand dollars (\$50,000) to any person who owns real property within the zip code in which the nuisance exists and who files a claim with the court alleging that the person's property value was damaged by the continued existence of the nuisance.

(b) The City may also seek to recover the cost of enforcement or deployment of public safety personnel if the court finds a nuisance as described in 8.03 and 8.04 and the person or entity keeping, maintaining, or carrying on such nuisance is the person or entity who was subject to a previous order of abatement or injunction.

BE IT FURTHER ORDAINED, that if any clause, section, paragraph, sentence or part of this Ordinance shall be held or declared to be unconstitutional and void, it shall not affect the remaining parts of this Ordinance; it being hereby declared to be the legislative intent to have passed the remainder of this Ordinance notwithstanding the parts so held to be invalid, if any.

BE IT FURTHER ORDAINED, that the adoption of this Referendum Ordinance shall take effect from and after the date it shall have passed by the Council, signed by the Chairman of the Council, certified and delivered to the Office of the Mayor in writing by the Comptroller, and become effective as otherwise provided by law.

Sponsor:

Philip Spinosa, Jr.



T-048

Memphis City Council Summary Sheet

(Revised January 28, 2026)

1. Description of the Item (Resolution, Ordinance, etc.)

Resolution seeking for approval of a seven (7) year initial lease term with an option to renew for one additional seven (7) period between the City of Memphis and Bluff City Athletics dba Bluff City Pickerball LLC at 940 Early Maxwell Blvd (Pipkin Bldg) Memphis, TN 38104.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Memphis Parks

3. State whether this is a change to an existing ordinance or resolution, if applicable.

N/A

4. State whether this will impact specific council districts or super districts.

Council District 4 and Super District 9

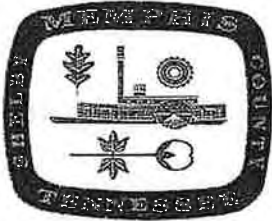
5. State whether this requires a new contract, or amends an existing contract, if applicable.

New Contract

6. State whether this requires an expenditure of funds/requires a budget amendment.

This does not require an expenditure of funds/requires a budget amendment.

7. If same night minutes are requested, state the reason for the urgency.



T-048

**RESOLUTION TO APPROVE A LEASE AGREEMENT
BETWEEN THE CITY OF MEMPHIS, TENNESSEE AND BLUFF CITY
ATHLETICS, LLC D/B/A BLUFF CITY PICKLEBALL LLC FOR THE PIPKIN
BUILDING LOCATED AT 940 EARLY MAXWELL BOULEVARD MEMPHIS,
TENNESSEE 38104**

WHEREAS, the City of Memphis owns the property located at 940 Early Maxwell Boulevard, Memphis, Tennessee 38104, commonly known as the Pipkin Building, and oversees its use through the City of Memphis Parks Division; and

WHEREAS, the Pipkin Building has long been a recognizable part of the Memphis landscape, and the City desires to return this longstanding Memphis landmark to active and productive use in a manner that serves residents, enhances the surrounding community, and complements the continued redevelopment of Liberty Park; and

WHEREAS, the City has made progress in the redevelopment of Liberty Park, including the development and continued success of the Memphis Sports & Events Center and other investments that have transformed the area into a growing destination for sports, recreation, entertainment, and community activity; and

WHEREAS, Bluff City Athletics, LLC, doing business as Bluff City Pickleball, is an established local recreational business and has demonstrated experience in adaptively reusing existing property for recreational purposes, having previously transformed a vacant former movie theater into an active pickleball facility and community gathering space; and

WHEREAS, Bluff City Athletics, LLC desires to bring that experience to Liberty Park by transforming the Pipkin Building into a vibrant, year-round indoor pickleball and recreation center serving residents of varying ages and skill levels and providing opportunities for open play, leagues, clinics, youth instruction, tournaments, senior wellness activities, and other recreational programming; and

WHEREAS, placing the Pipkin Building into productive use through an established recreational operator represents an opportunity to activate an underutilized City asset while continuing the transformation of Liberty Park preserving City ownership of the property and securing substantial private investment in improvements necessary to prepare the building for its new use; and

WHEREAS, the City of Memphis desires to enter into a lease agreement (the "Lease Agreement") with Bluff City Athletics, LLC for the exclusive use and operation of the Pipkin Building for an initial term

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of seven (7) years, with an option to extend the Lease Agreement for one (1) additional seven (7)-year period upon the mutual written agreement of the parties and subject to the terms of the Lease Agreement; and

WHEREAS, the Council finds that the proposed Lease Agreement advances the public interest by returning an underutilized City facility to productive use, leveraging private investment to improve a publicly owned asset, expanding recreational and wellness opportunities for Memphians, and furthering the continued revitalization of Liberty Park; and

WHEREAS, in accordance with the City of Memphis Code of Ordinances, the Council of the City of Memphis shall approve all leases involving City-owned property.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEMPHIS, TENNESSEE, that the proposed Lease Agreement between the City of Memphis and Bluff City Athletics, LLC, doing business as Bluff City Pickleball LLC, for the exclusive use of the Pipkin Building located at 940 Early Maxwell Boulevard, Memphis, Tennessee 38104, for an initial term of seven (7) years, with an option to extend for one (1) additional seven (7) -year period upon the mutual written agreement of the parties, is hereby approved substantially in the form presented to the Council.

BE IT FURTHER RESOLVED, that the City of Memphis Real Estate Department shall prepare and arrange for the execution of the Lease Agreement, and the Mayor of the City of Memphis is hereby authorized to execute said Lease Agreement and any other documents necessary or appropriate to effectuate the purposes of this Resolution.