



Memphis, Tennessee

Elvis Presley and Raines Anchor Neighborhood

Summary Report: July 2019

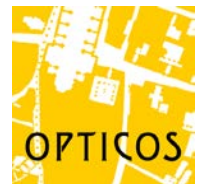


Table of Contents

Section 1: Project Overview	3
Plan Area and Project Overview	4
Memphis 3.0 Anchor Strategy	6
Charrette Summary.	10
Section 2: Whitehaven.	11
District Framework.	12
Big Idea: Create a Mixed-Use Destination for Whitehaven	15
Big Idea: Strengthen Existing Retail Environment	21
Big Idea: Use Residential to stabilize adjacent properties. .	27
Big Idea: Mobility Improvements	36
Section 3: Implementation.	39
Appendix	47

WHAT IS A PLAN?

- It expresses a long term vision
- It continually evolves throughout the public process
- It is used as a tool to illustrate and test potential alternatives
- It is NOT intended to represent exact results or exact expected implementation

Project Overview 1

section



Plan Area and Project Overview

PLAN AREA

The Elvis Presley and Raines Anchor Neighborhood is bounded by Chambliss to south, Craft Road to the north, Hermitage Drive to the east, and Auburn Road to the west. Whitehaven Plaza is the focus of this document. However, incentives, benefits, and infrastructure upgrades extend to the entire plan area.

PLAN PROCESS

A series of public meetings were held in Whitehaven during May 2018 as a part of the Memphis 3.0 Comprehensive Planning process. During those meetings, most of the participants agreed that the Elvis Presley & Raines Anchor Neighborhood could serve as a catalyst to change with significant changes at Whitehaven Plaza being the driver. This information was used as a basis for the four-day charrette process held in January 2019. Over the four-

days there were many opportunities for the public to provide their input, including a walking tour, one public presentation, one open house, and seven hours of drop-in open studio. As part of the process the City and consultant team met with the property owner of Whitehaven Plaza to better understand their current use of the property as well as any future plans and goals. Over 50 community members participated in the process. Building off the vision for the Whitehaven planning district, a vision for the Elvis Presley & Raines Anchor Neighborhood and Whitehaven Plaza was developed.

The vision is intended to serve as a guide to business and property owners, residents, developers, City staff, elected officials, and others in making investment, land use and design decisions. The goals are to:

- Create an attractive, pedestrian-oriented environment with a variety of uses and services to draw people from nearby and across the city to Elvis Presley & Raines Anchor Neighborhood
- Strengthen the types and quality of services and amenities within the anchor for existing residents and broader customer base
- Provide an improved residential frontage across the street from existing residential uses along Barton Drive and Laudeen Drive to stabilize existing residential properties
- Improve Elvis Presley and Raines Road
- Create strong connections between Whitehaven Plaza, South Plaza, and surrounding neighborhoods
- Integrate better/safer pedestrian connections to and through the Elvis Presley and Raines Anchor Neighborhood



Elvis Presley Blvd



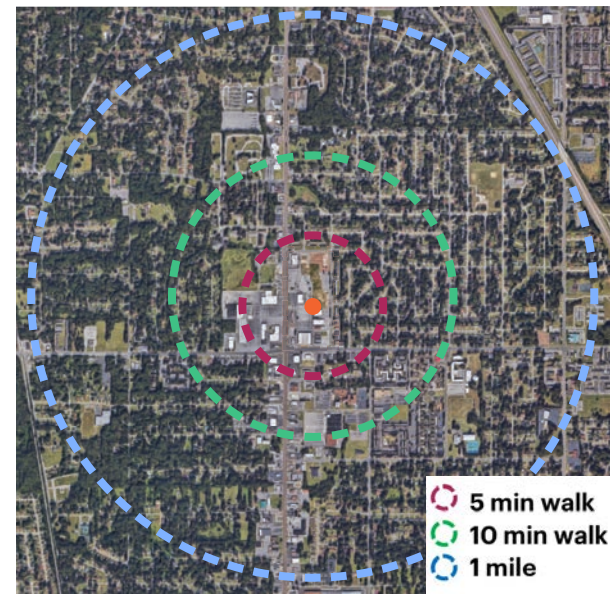
Raines Road



Whitehaven Plaza



Plan Area outlined in orange.



This diagram shows a radius of a 5-min, 10-min, and 1 mile walk, also know as pedestrian sheds. A 'ped shed' is an approximate area that ideally contains a mix of housing choices within a short walking distance of retail and services. The size of a ped shed is based on the distance the average person can comfortably walk from the Neighborhood Center to its edge. This approximate area can encompass a complete neighborhood, incorporating most to all aspects needed for daily life. Notice the number of neighborhoods encompassed in each pedestrian shed.

Memphis 3.0 Anchor Strategy

POLICY DIRECTION

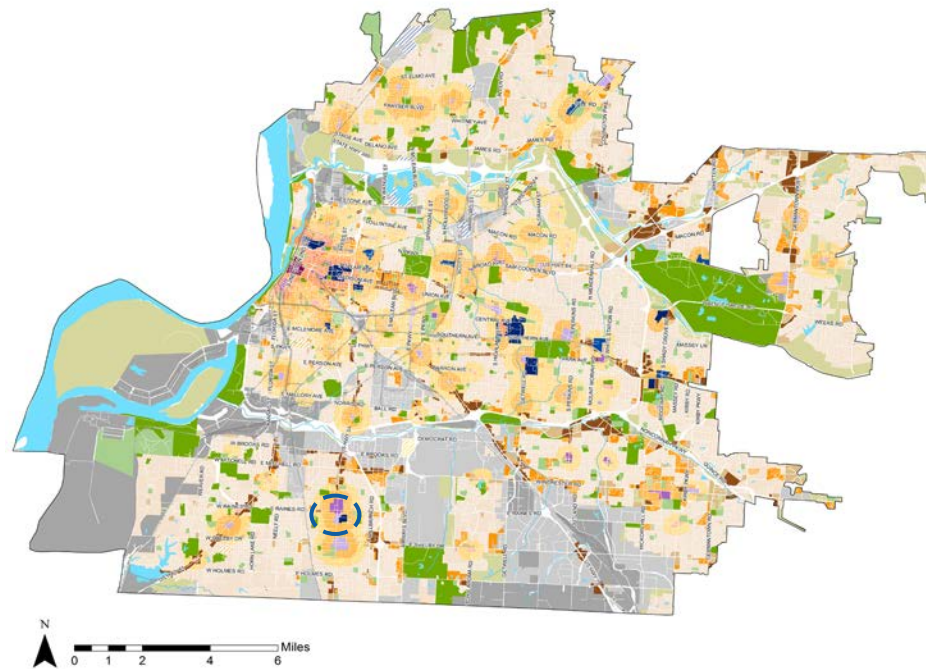
The Memphis 3.0 Comprehensive Plan provides policy direction for the planning activities that took place during the charrette. Following an extensive public engagement and planning process, Memphis 3.0 identified a vision for Memphis' next 20 years: **"In our third century Memphis will build up, not out.** Memphis will be a city that anchors growth on strengths of the core and neighborhoods; a city of greater connectivity and access; a city of opportunity for all."



GROWTH AND CHANGE

To realize the vision established in Memphis 3.0, growth and change in the city will be concentrated in community anchors — places where communities do things together. They are also where commerce, services, and civic activities intersect. They are where both residential density and density of activity are (or will be) highest in Memphis. As such, they provide an opportunity for new investments and services to positively impact the largest number of Memphians.

Building up, not out, means reinvesting in existing places. In order to realize this vision, vacant lots will need to become sites for future development projects, disinvested places will need to receive investment and redevelopment, and underutilized land will need to be repurposed for higher and better uses that improve the quality of life in Memphis.



Future Land Use Planning Map from the Memphis 3.0 Comprehensive Plan. Different types of anchors include: community anchors (purple/blue), and residential (yellow). Community members and city staff (left) identify preferred areas for growth and change in Whitehaven during a Memphis 3.0 planning workshop in 2018. The focus are of this charrette process is circled blue.

During the district planning workshops conducted as part of the Memphis 3.0 process, community members identified places in the district where this sort of growth and change was most desired.

DEGREES OF CHANGE

Memphis 3.0 identified three “degrees of change” that set a vision for how much change will be encouraged in different places. They provide a menu of policies and implementing actions that can help to match communities’ appetites for change with the amount of support and investment that is appropriate for realizing that degree of change.

Places with the most capacity for change in the near term have been designated as **accelerate** anchors. Whitehaven Plaza is one of these anchors that will eventually strengthen existing assets and receive new mixed-use infill development.

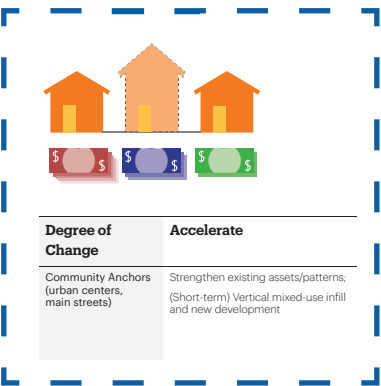
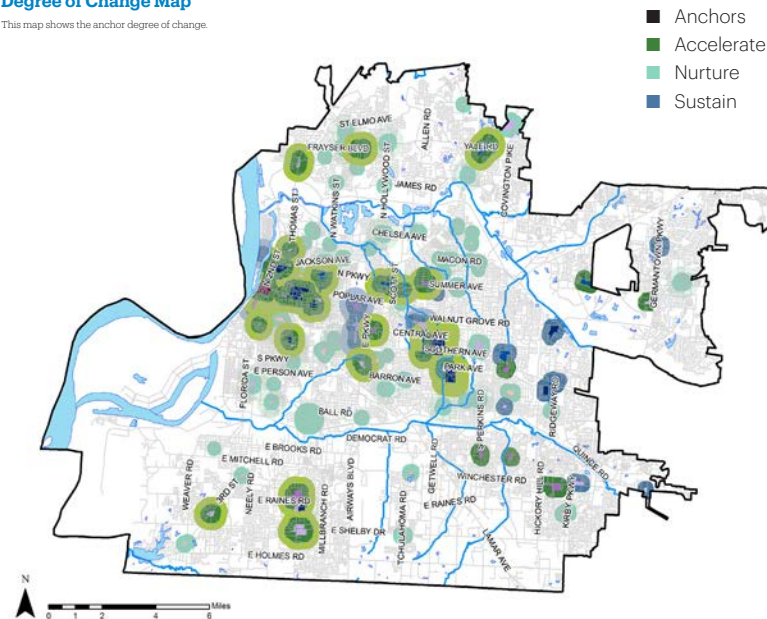
Some strategies that might be appropriate for accelerate anchors are outlined below:

Ways to Accelerate:

- Increase building height
- Allow greater mix of uses
- Attract retail and service uses that cater to larger-scale markets
- Reduce building setbacks or establish build-to lines
- Construct new streets or pathways to increase connectivity within large sites
- Consolidate smaller lots into larger parcels that are more attractive for development
- Consider tax increment financing (TIF) districts
- Improve or create parks and civic assets
- Promote pedestrian-oriented infill development
- Reduce surface parking
- Sprawl repair

Degree of Change Map

This map shows the anchor degree of change.



Whitehaven Plaza is designated as an “accelerate” anchor. Other anchors may be designated as “sustain” or “nurture” anchors in Memphis 3.0.

WHAT CHANGE LOOKS LIKE

Beyond indicated where growth and change should happen, Memphis 3.0 also designates what physical form change should take. Different community anchor types reflect the existing conditions and ambitions of different places around Memphis. These anchor type designations provide guidance for what kind of change should occur in places that have been designated as community anchors.

CHANGE IN WHITEHAVEN PLAZA

The Whitehaven Plaza anchor was designated as an Urban Main Street in the Memphis 3.0 Comprehensive Plan. A description of that anchor type is included in the table below:

Description/Intent	Walkable, vertically-mixed use centers comprised of multi-story block-scale and house-scale buildings, most of which are attached, lining two facing blocks and extending for several adjacent blocks.
Applicability	Medium-sized centers stretching along a main street where a vertical mix of uses and activities is present or appropriate as a moderate to high-intensity anchor for a surrounding urban neighborhood.
Goals/Objectives	Support organization of services, amenities, opportunities, and housing choices in direct relationship to anchor neighborhoods, focusing investment toward areas that support plan goals and objectives, nodal development of continuous commercial corridors.
Performance Metrics	Number of new businesses and services, housing infill, office, jobs locating within UMS anchors, rents.
Zoning Notes	Generally compatible with the following zone districts: MU, NC, CMU-2 with frontage requirements (MO District), CMP-2, SM in accordance with Form and characteristics listed above. Consult zoning map and applicable overlays for current and effective regulations. May consider rezonings within anchor neighborhood areas as appropriate, at the time of a small area plan. Analysis to determine if minimum lot sizes and parking requirements are suitable to promote infill in all applicable zones. Recommend embedding private frontage standards into zones. Height calibration.
Form and Location Characteristics	NURTURE, SUSTAIN, and ACCELERATE Buildings primarily attached Block-scale buildings Mix of uses 1-7 stories height

Whitehaven Plaza

URBAN MAIN STREET

Encourage infill and reuse of vacant properties near Polly Williams Park

 **Short-term 1-2 years**

Encourage and incentivize commercial infill on vacant parcels

 **Medium-term 2-5 years**


Encourage mixed-use developments on vacant parcels

 **Medium-term 2-5 years**

Incentivize mixed-income developments in accelerate anchor areas

 **Medium-term 2-5 years**

Target façade improvement/landscaping loans at accelerate anchors and along major corridors

 **Medium-term 2-5 years**

Implement safety improvements for pedestrians and cyclists along Elvis Presley from Brooks to Shelby Drive

 **Medium-term 2-5 years**



Types of Community Anchors as described in Memphis 3.0. From left to right, Urban Center, Urban Main Street, Neighborhood Main Street, and Neighborhood Crossing. Whitehaven Plaza is an Urban Main Street anchor type.

RESIDENTIAL MARKET POTENTIAL

In 2017, the Whitehaven District shows the following demographics:

Whitehaven Demographics	
Number of Households	14,165
Est. Median Income	37,100 \$
Est. Median Home Value	102,600 \$

Each year over the next five years, it is anticipated that an annual average of 4,190 households will move to or within the Whitehaven District. It is anticipated that, given current and future market trends, a greater percentage of these households will be families, as shown in the graphs to the right.

The housing preferences and income groupings of the 4,190 households are shown in the chart on the left. The chart to the right shows what sort of new housing could be built each year, based on a 5% absorption rate. The remaining 95% of demand would be satisfied through existing housing units.

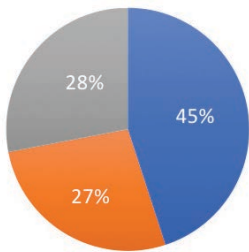
On an annual basis, approximately 31 percent, or 65 du per year (325 du over five years) would be rented or purchased by households moving to the District from outside the Memphis city limits.

**Area median income (AMI) is the household income for the median — or middle — household. For 2017, the AMI for the Memphis Fair Market Rent area, as defined by the U.S. Department of Housing and Urban Development (HUD), is \$60,000. Using the mean prevents very large or very small values from skewing the results, as it would when using an average.*

Current Demographics	
Housing Types and Affordability	
100% or over AMI	1,864 (44%)
50 - 100% AMI	1,103 (45%)
Below 50% AMI	1,223 (29%)
Annual Market Potential	4,190
Rentals (Apartments)	1,964
Condominiums	377
Townhouses	565
Single-family	1,284

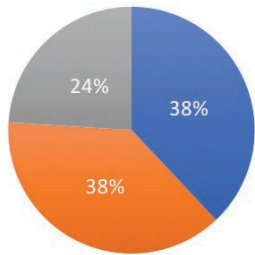
Annual Market Potential	
Housing Types and Affordability	
100% or over AMI	93
50 - 100% AMI	55
Below 50% AMI	61
Annual Market Capture	210
Rentals (Apartments)	98
Condominiums	19
Townhouses	28
Single-family	64

Current Demographics



- Empty-Nesters and Retirees
- Younger Singles and Couples
- Traditional and Non-Traditional Families

Annual Market Potential = 4,190



Over the next five years, 4,190 new households are likely to move in Whitehaven each year. This will likely increase the percentage of families living in Whitehaven.



Charrette Summary

WHAT IS A CHARRETTE?

A charrette is an intense, multi-day planning workshop where a broad range of people can collaborate to develop a vision for a defined area. Charrettes are organized to encourage the participation of all. That includes everyone who is interested in bringing the vision to reality: residents, property owners, developers, and local government.

The charrette process provides a place to generate ideas and give immediate feedback to the City and consultant team. As a result, this dynamic and inclusive process can quickly identify and address obstacles. This process results in a feasible vision that represents the collective ideas of participants and the realities specific to the community.

CHARRETTE PROCESS

The Whitehaven Plaza Charrette had a range of engagement opportunities including an opening presentation, a public open house, open studio hours, and a closing presentation. Throughout the entire process, there was a scaled, 3-D model of the project area on hand to use as the community explored the vision for the area.

The opening presentation set the stage for the process by presenting the project and discussing the schedule & additional opportunities for involvement during the four-day charrette.

The public open house provided an informal review of in-progress ideas and drawings. The community was able to share thoughts on the ideas generated to that point with the city and consultants.

The open studio offered the community times to stop in, review the concepts & drawings in real time, and talk to design team members. Community members were able to ask questions and share their thoughts on the vision for the area.

The closing presentation provided a chance for the community to see the design concepts that were developed throughout the entire process including the guiding framework and the “big ideas.”



Comment boards



Kick off discussion



Physical model of plan area

Whitehaven 2

section



District Framework

OVERVIEW

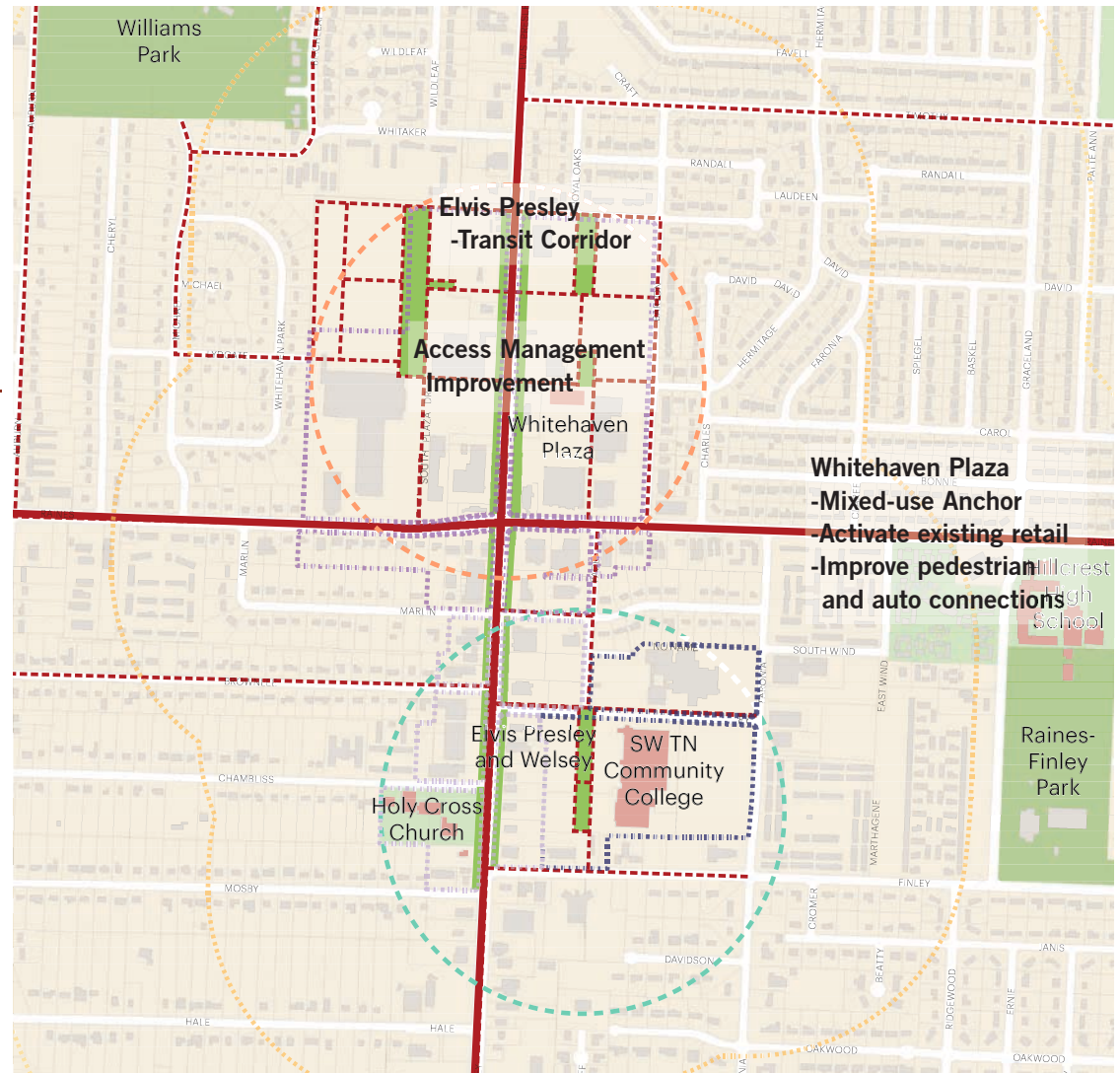
The design work began by taking the input gathered at the community presentation and workshop and developing a district framework (at right) which identifies existing constraints, current and potential connections, and nearby destinations. As an Anchor, Whitehaven Plaza will play an important role within the district and the city at-large, so it is important to take into account regional connectivity. Based on this framework, more specific improvements and design strategies were developed.



Aerial view of the site

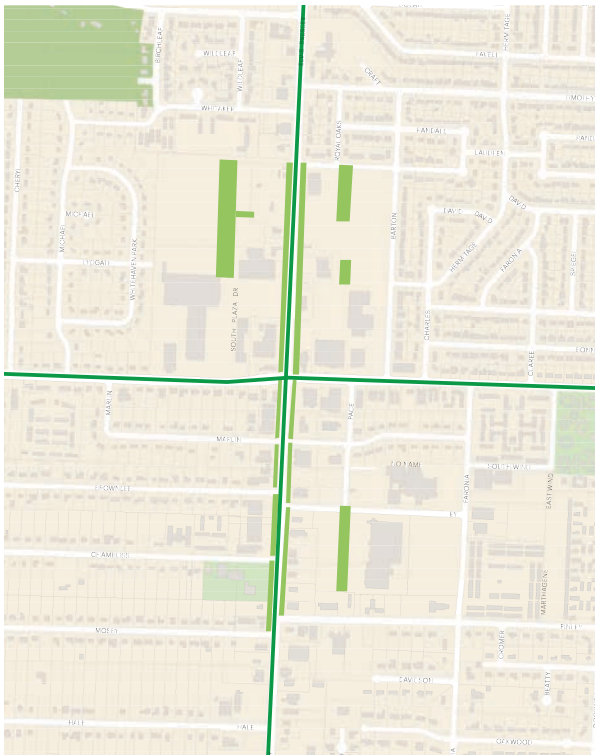
Key

- Anchor Medical Center
- Anchor Urban Main Street
- Anchor Neigh. Main Street
- Anchor Neigh. mix of Building Types
- Anchor Neigh. Primary Single Unit
- Existing Parks and Open Spaces
- New Parks and Green Spaces
- Community Amenities
- Transit Corridor
- Greenways
- New Streets
- 1/4 mile distance from Schools
- 1/4 mile distance from Community Amenities



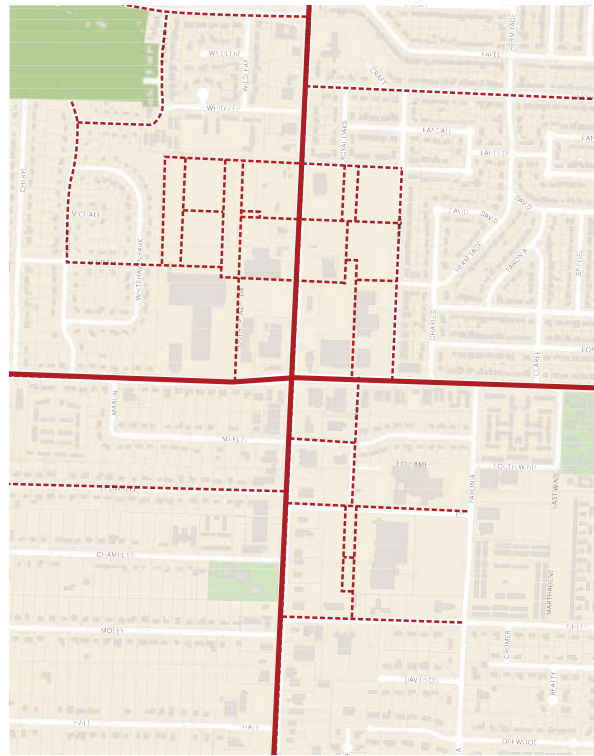
Visioning Framework

GREENWAYS AND NEW GREEN SPACES



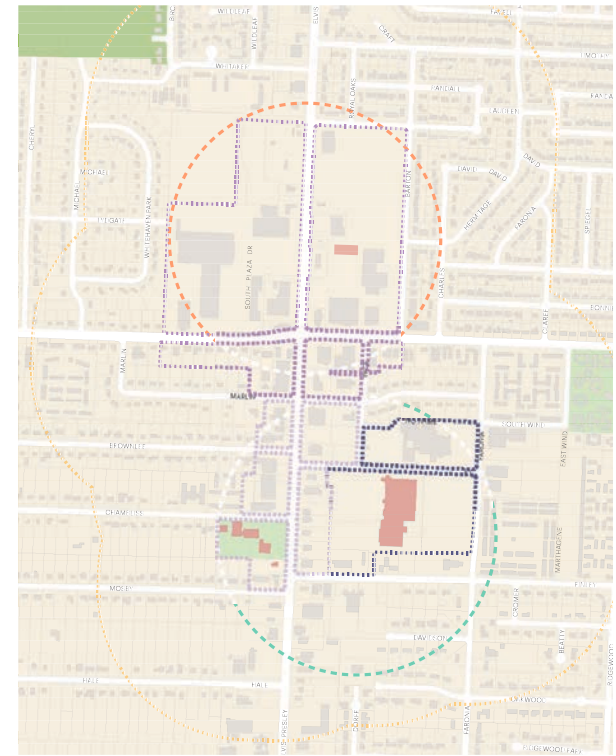
A new network of green spaces and greenways that facilitates connections of the adjacent neighborhoods to the anchor area, park, and community center.

NEW STREET NETWORK AND TRANSIT VISION



New streets introduce a block network that provides better connectivity and gives pedestrians and cyclists more route options for reaching new destinations.

5 MIN WALKING DISTANCE WITHIN THE ANCHORS



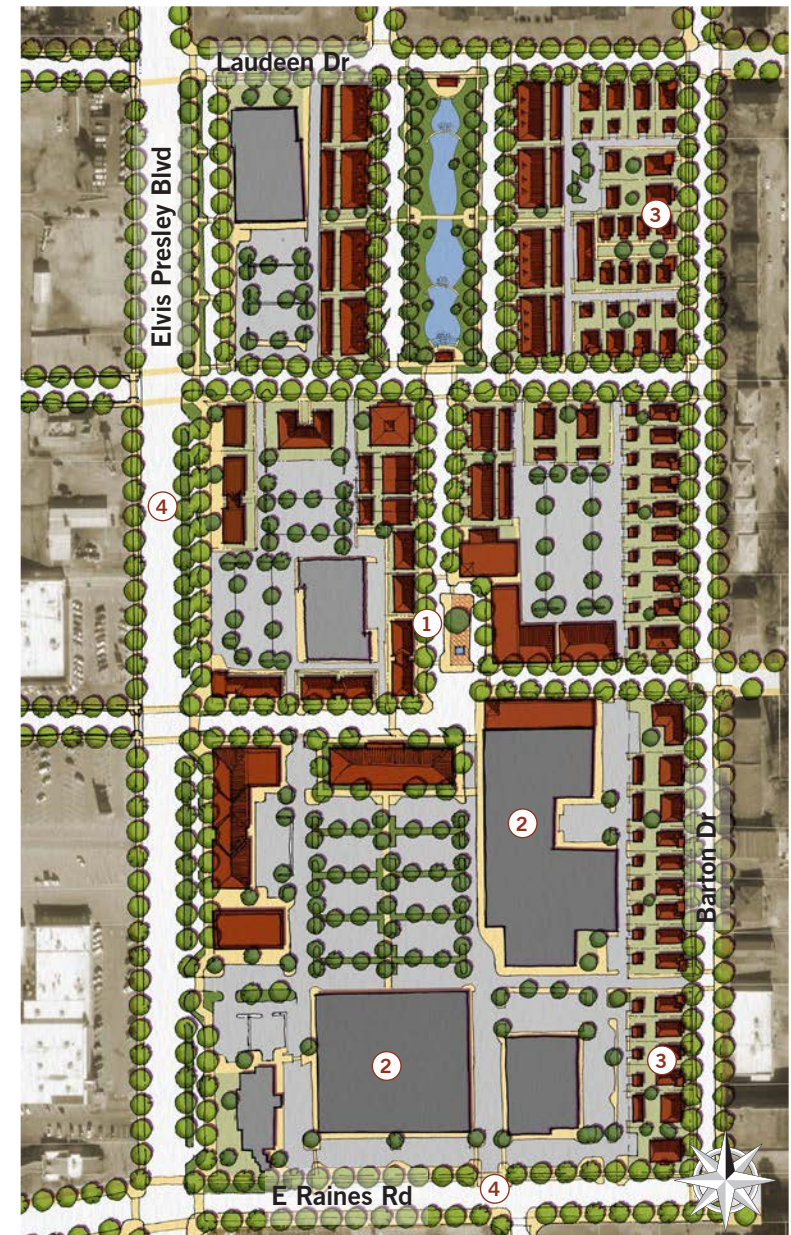
Walkability is prioritized within the anchor area and the surrounding anchor neighborhoods. Dashed circles show 1/4 mile distances from the center of each circle to the dashed line. For many people, this is the distance that can be comfortably walked within 5 minutes.

BIG IDEAS OVERVIEW

Using the framework and community feedback, 'Big Ideas' were generated. These big ideas illustrate the improvements and design strategies that could be implemented in order to achieve the vision for the Whitehaven Plaza Urban Main Street.

- ① Create a Mixed-Use Destination for Whitehaven
- ② Strengthen Existing Retail Environment
- ③ Use Residential to Stabilize Adjacent Properties
- ④ Mobility Improvements

The maps, diagrams, aerial photographs, and other graphics presented are illustrations of the vision's key features. These images are not intended to represent the exact results expected from the implementation of the plan, but they provide examples of the area's desired land use, architectural character, infrastructure, and other elements. These graphics are used as tools to help explain the vision being established by the plan. The exact final form of the built environment will be influenced by market demand, available resources, and further public engagement.



1 Big Idea: Create a mixed-use Destination for Whitehaven

Create an attractive, **pedestrian-oriented environment** with **a variety of uses and services** to draw people from nearby and across the city to Whitehaven Plaza.

A Create spaces conducive to sit-down restaurants and boutique shopping

- Smaller footprint commercial buildings better for sit-down restaurants and boutique shops.
- Mixed-use buildings (with commercial below and residential/ office space above) offer street activity for all times of the day, creating a safer environment.
- A slow travel lane has been carved out from the subject site to support storefronts and pedestrian activity

B Expand shopping center to create anchor tenant space for bowling alley or movie theater

- An entertainment venue is something that Whitehaven lacks and it will help the existing retail with more activity coming to the plaza.

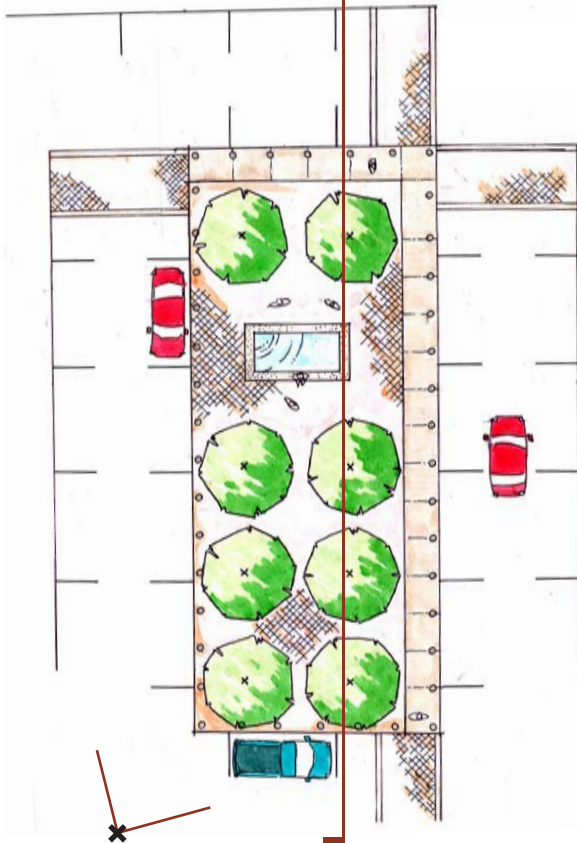
C Provide a public plaza or “patio” for passive recreation and community events

- The plaza is flexible and can be used in a variety of ways, such as a place for children to play or for an outdoor market.
- Shading, provided by trees, will make the space more usable during summer months.



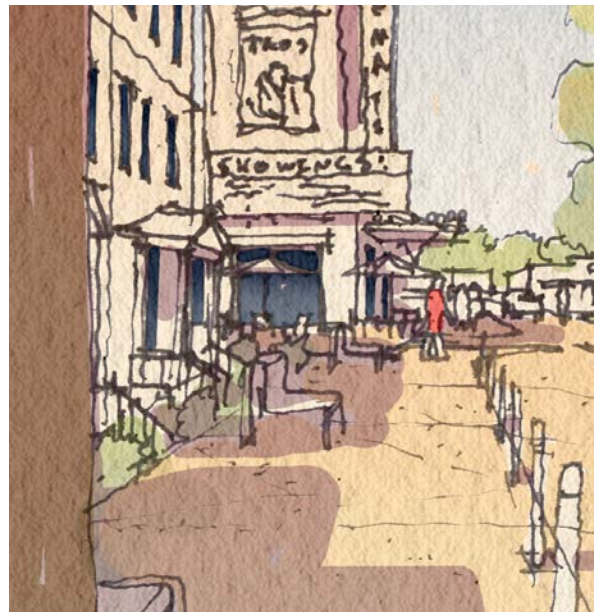
SECTION CUT

For diagram on
opposite page



LINE OF SIGHT

For perspective
drawings at right

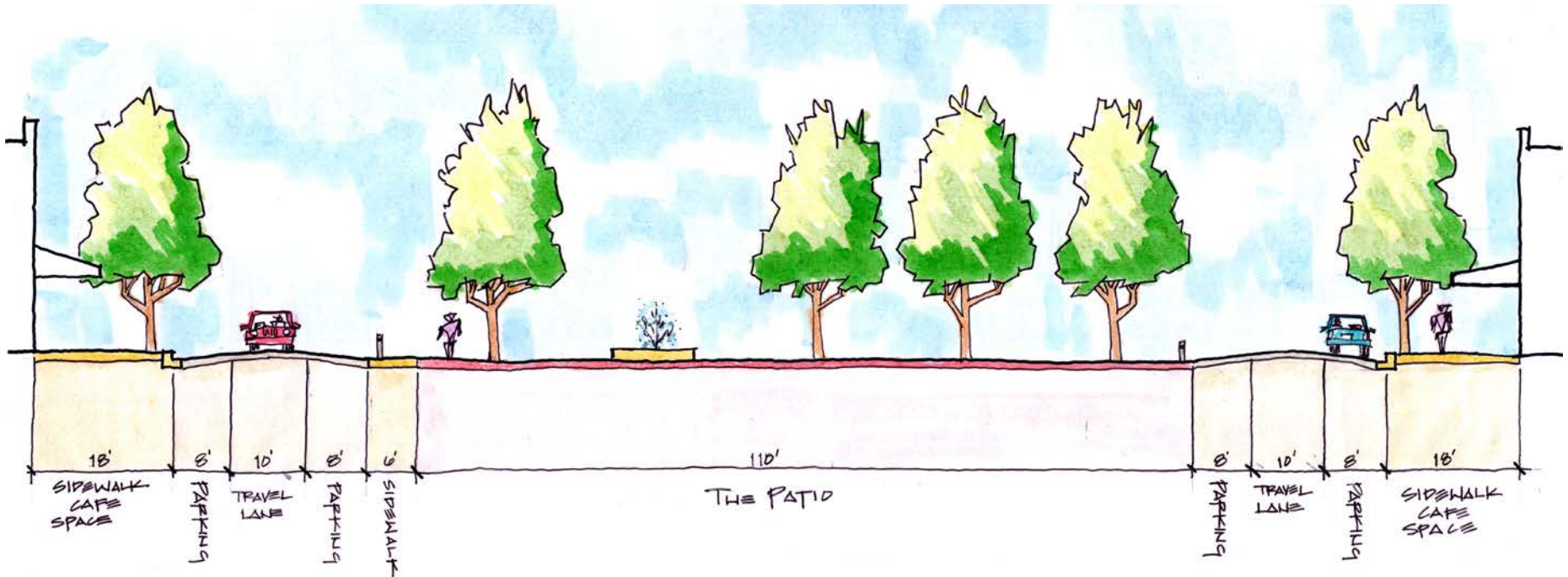




Public plaza

- Ⓐ Mixed-use with office and/or residential above restaurants and boutique retail
- Ⓑ Entertainment tenant anchor space with tower element to create a visible landmark for the plaza
- Ⓒ Curbless streets and bollards make it possible to close street to cars and combine space with plaza for use during large community events
- Ⓓ Street trees create an attractive environment and provide shade for pedestrians

The Patio



The Patio is an open space that anchors the mixed-use district.



Outdoor seating with movable furniture can activate a space and provide flexibility for different events.



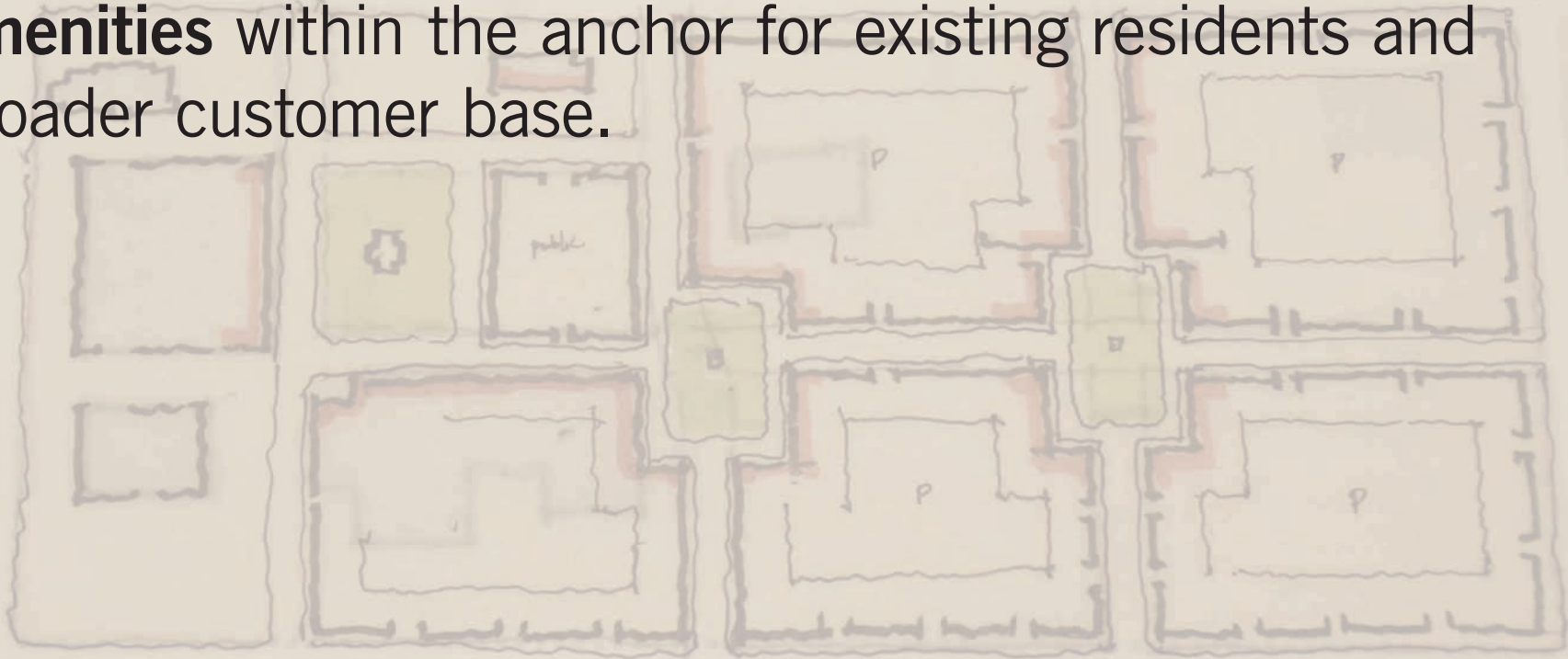
Landscape features such as low seating walls, fountains, and specimen trees can help to define a space.

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2

Big Idea: Strengthen Existing Retail Environment

Strengthen the types and quality of **services and amenities** within the anchor for existing residents and broader customer base.



A Improve aesthetics and functionality of parking lot

- Adding foliage to the otherwise barren parking lot will increase the beauty of Whitehaven Plaza, while also offering shade in the warm summers.
- Creating a pedestrian walkway through the parking lot would make the space more enjoyable and safer.

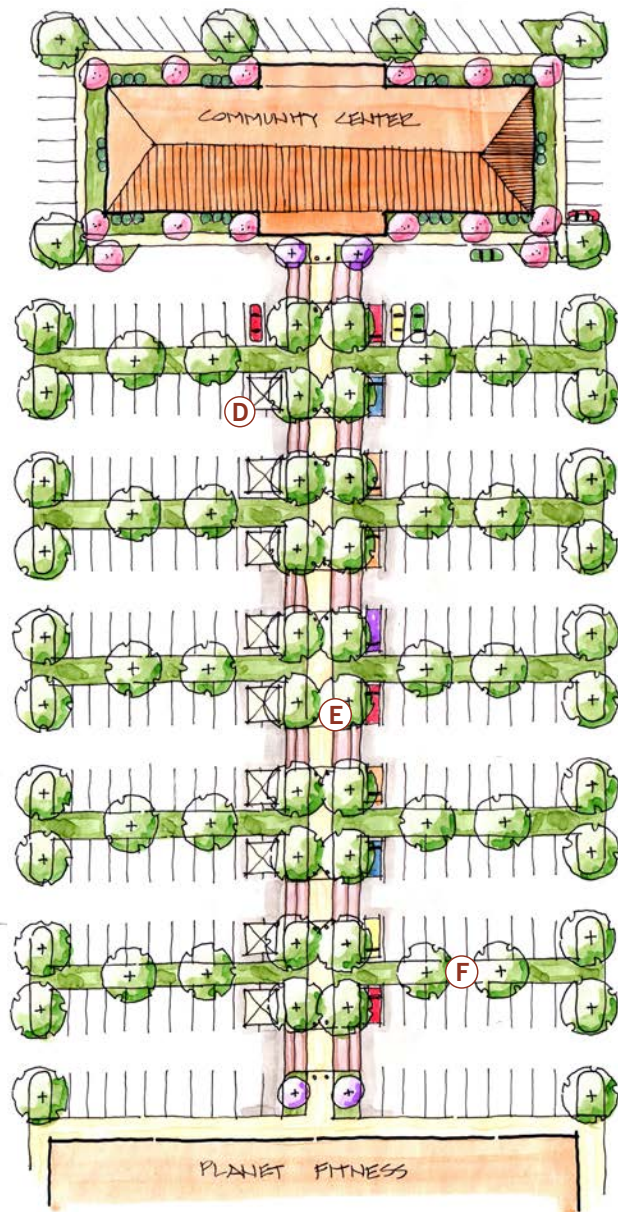
B New retail frontage along Elvis Presley

- Retail along Elvis Presley Blvd will help create a more urban, walkable environment.
- Frontage along Elvis Presley Blvd will help calm traffic as drivers will slow down to look at the shops and accompanying activity.
- A slow travel lane has been carved out from the subject site to support storefronts and pedestrian activity.

C New community building

- A new community building will attract people, including the young and old, to gather in Whitehaven Plaza.
- People coming to the community center will also help support the existing retail.





D Open-Air Farmers' Market

The large space could be used as a farmers market periodically. The parking lot could provide an opportunity to bring fresh local foods to residents and offer community gatherings as well.

E Space for Food Trucks

Pop-up food trucks are an easy and effective way to offer a diversity of food options to a community. The parking lot has plenty of space for food trucks.



F Rain Gardens

Parking lots produce a lot of excess runoff rainwater and few of these lots reuse this water. Rain gardens are a good way to utilize the rainwater to beautify the space. Rain gardens also naturally filter the runoff, removing some of the chemicals found in runoff.





EXISTING CONDITIONS

Three travel lanes, one turn lane.



POTENTIAL DEVELOPMENT OPTIONS

Two travel lanes, slow travel lane with parking inside the plaza, and wide sidewalks with street trees, buildings lining the street, theatre in the distance



TRAVEL OPTIONS INSIDE PLAZA

A slow travel lane carved out from the existing site offers an alternative for pedestrians and cyclists to sidewalks.



Whitehaven Plaza Proposed Improvements

- (A) A slow travel lane is integrated into the site allowing for cyclist activity and vehicle speeds that support store front shopping.
- (B) Painted crosswalks and pedestrian signals create a safer and more visible pedestrian environment.
- (C) Storefronts along Elvis Presley to create a more urban, walkable environment
- (D) Theatre or other entertainment venue that is a landmark visible from Elvis Presley

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3 Big Idea: Use Residential to stabilize adjacent properties

Providing an **improved residential frontage** across the street from existing residential uses along Barton Dr. and Laudeen Dr. can help to stabilize existing residential properties by making them **more attractive** and **creating a better neighborhood environment**.

A Create new linear park with capacity for rainwater detention

- Water feature in park collects runoff to create a beautiful and unique park experience.
- Pavilions offer an outdoor gathering space for the neighborhood residents.

B Residential frontage to stabilize residential across the street

- Existing apartments currently face an empty parking lot. By adding residential frontage to these streets, existing apartments have a greater chance of success as they will be located in a neighborhood environment instead of being adjacent to vacant lots.

C Mix of housing types not currently offered in Whitehaven housing market

- A diversity in housing options better caters to a diversity of housing needs. Younger and older people often do not want to live in single family homes or apartment complexes, for a variety of reasons. Yet there are few alternatives in housing that Whitehaven currently offers. By creating more different kinds of housing — duplexes, townhouses, fourplexes, cottage courts, courtyard apartments — more people will find what they are looking for in Whitehaven.



An example of a linear park where a water detention facility is used as an amenity to improve the aesthetics of the neighborhood and create a healthier local environment while reducing the impact of flooding.



Linear Park

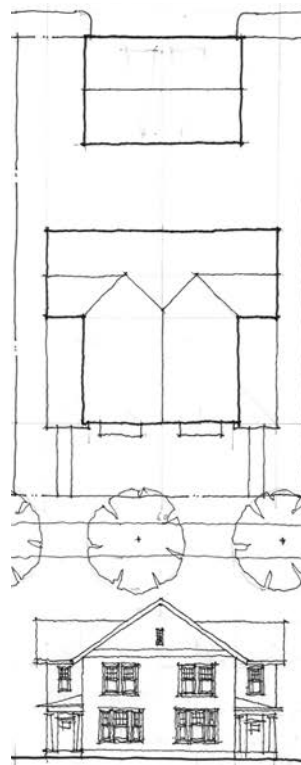


Perspective of the proposed Linear Park

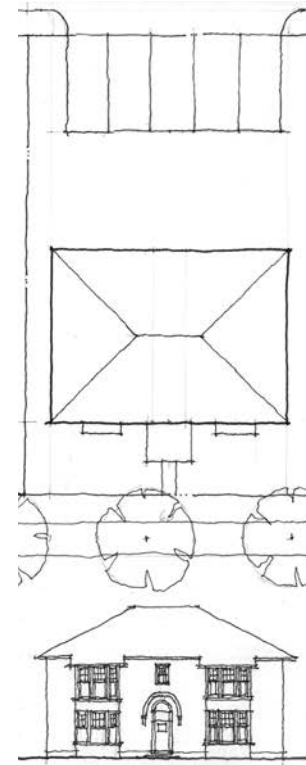
Diverse Housing Types

Introduce new housing types to satisfy demands for accessible, low-maintenance lifestyles

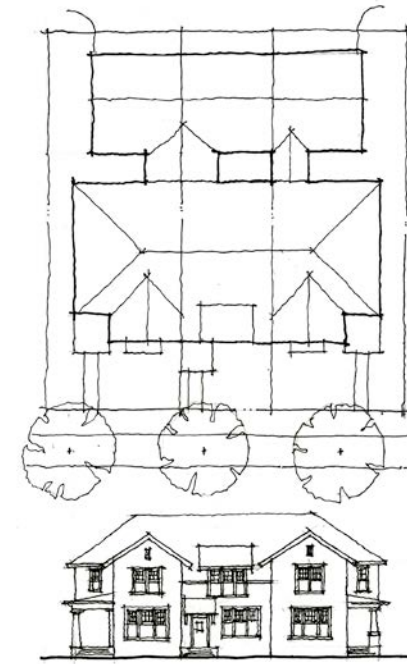
- The Residential Market Potential report included at the beginning of this document describes demand for a variety of housing types to satisfy a variety of lifestyles and demographics.
- Most existing housing stock in the area is made up of single-family homes on relatively large lots or apartment units in large apartment complexes.
- Attached and detached single-unit housing types such as **small-lot houses, townhouses and cottage courts** allow for private and shared yard spaces that require less maintenance than a typical large-lot single-family home.
- Multi-unit types such as **duplexes, fourplexes, sixplexes and courtyard buildings** provide for smaller for-sale or for-rent units in buildings that look like large single-family homes. These provide an alternative to large apartment complexes which can be difficult to manage and which are not always compatible with surrounding neighborhood environments.



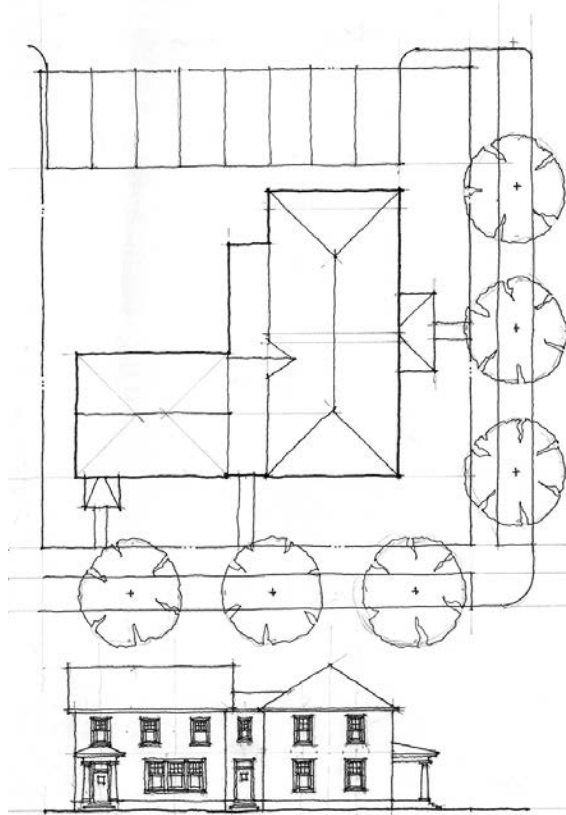
DUPLEX
60'W x 100'D



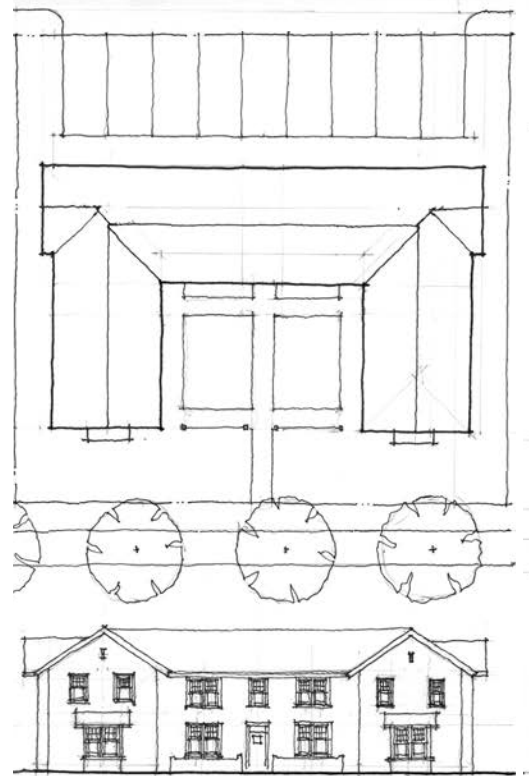
FOURPLEX
60'W x 100'D



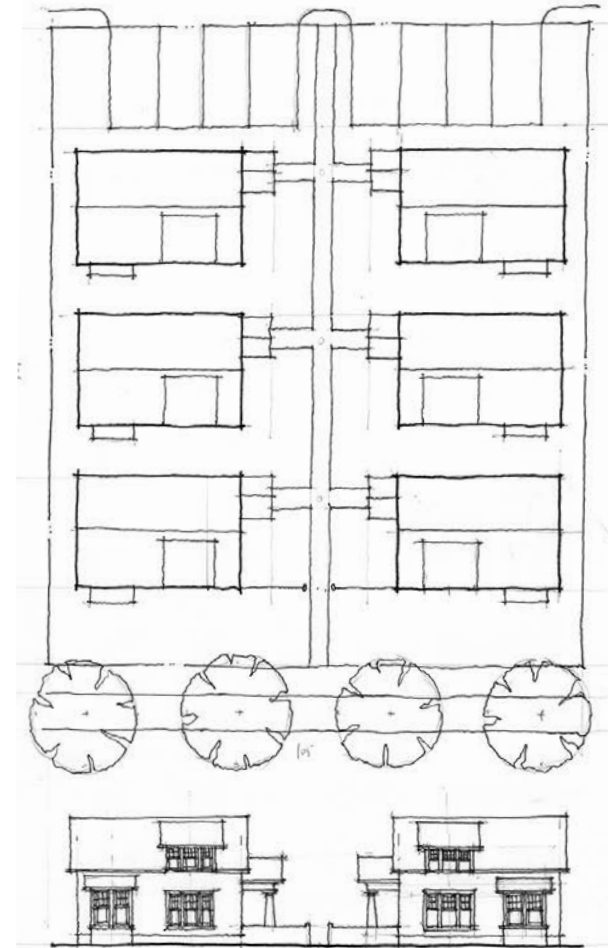
TOWNHOUSE
80'W x 85'D



CORNER SIXPLEX
90'W x 100'D



COURTYARD 8-PLEX
100'W x 100'D



COTTAGE COURT
105'W x 125'D

Residential Infill

- Existing Condition along Barton Drive



Residential Infill

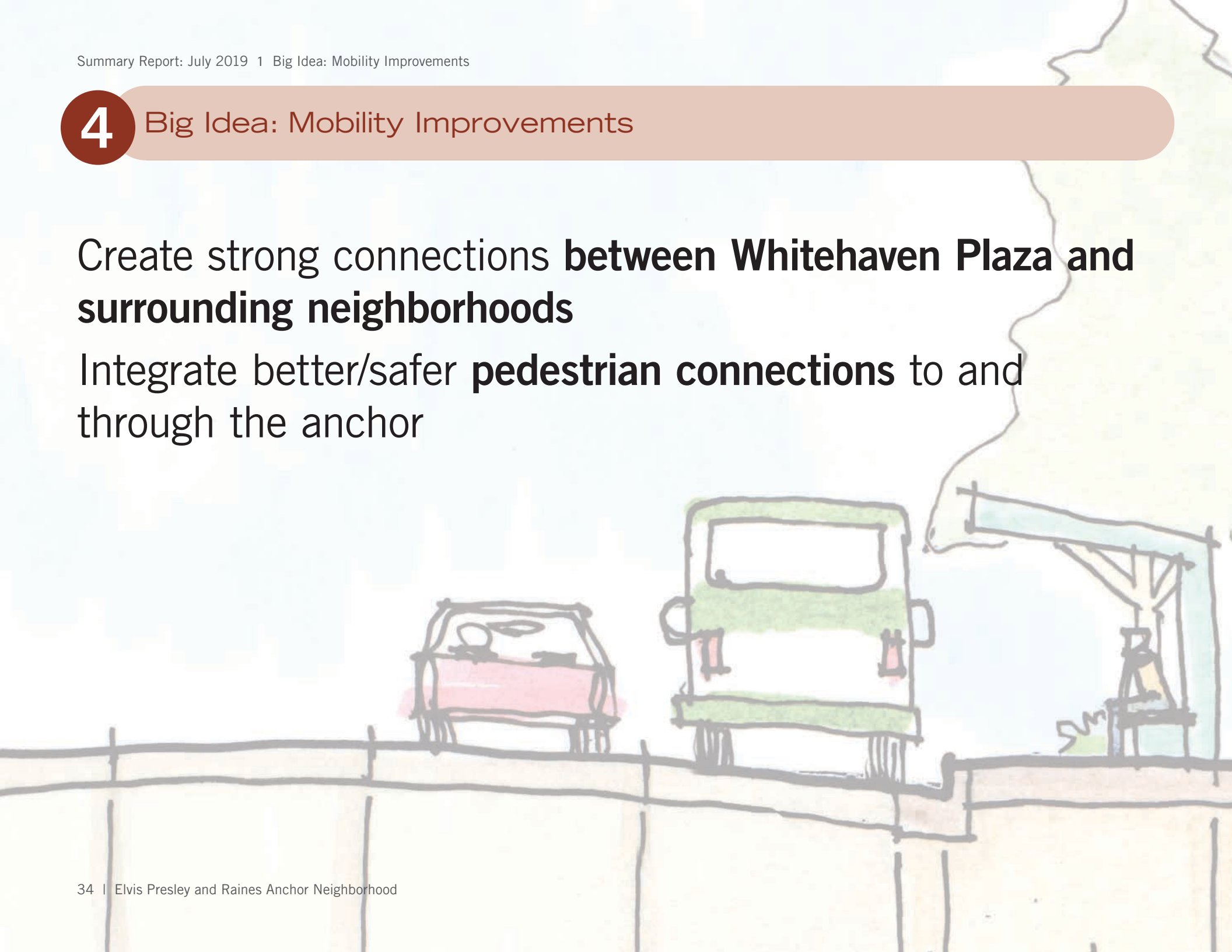
- Residential infill on the west side of Barton Drive will help to stabilize existing residential on the east side of the street.
- Appropriate residential frontages such as stoops and porches help to support a pleasant pedestrian realm and make the street more welcoming.
- Single-family homes and multi-unit buildings share similar housing forms and architecture to create a cohesive neighborhood environment while providing housing options.



4 Big Idea: Mobility Improvements

Create strong connections **between Whitehaven Plaza and surrounding neighborhoods**

Integrate better/safer **pedestrian connections** to and through the anchor



What makes a great street?

- Great streets not only move people from one place to another, but also provide interesting and engaging public spaces where people feel safe and welcome and businesses thrive.



Integrates Multi-modal Design



Promotes Safety



Enhances Social Interaction



Includes Street Trees



Enhances Natural Features & Topography



Attracts People + Businesses



Contributes to good Connectivity



Builds in Sustainable Design

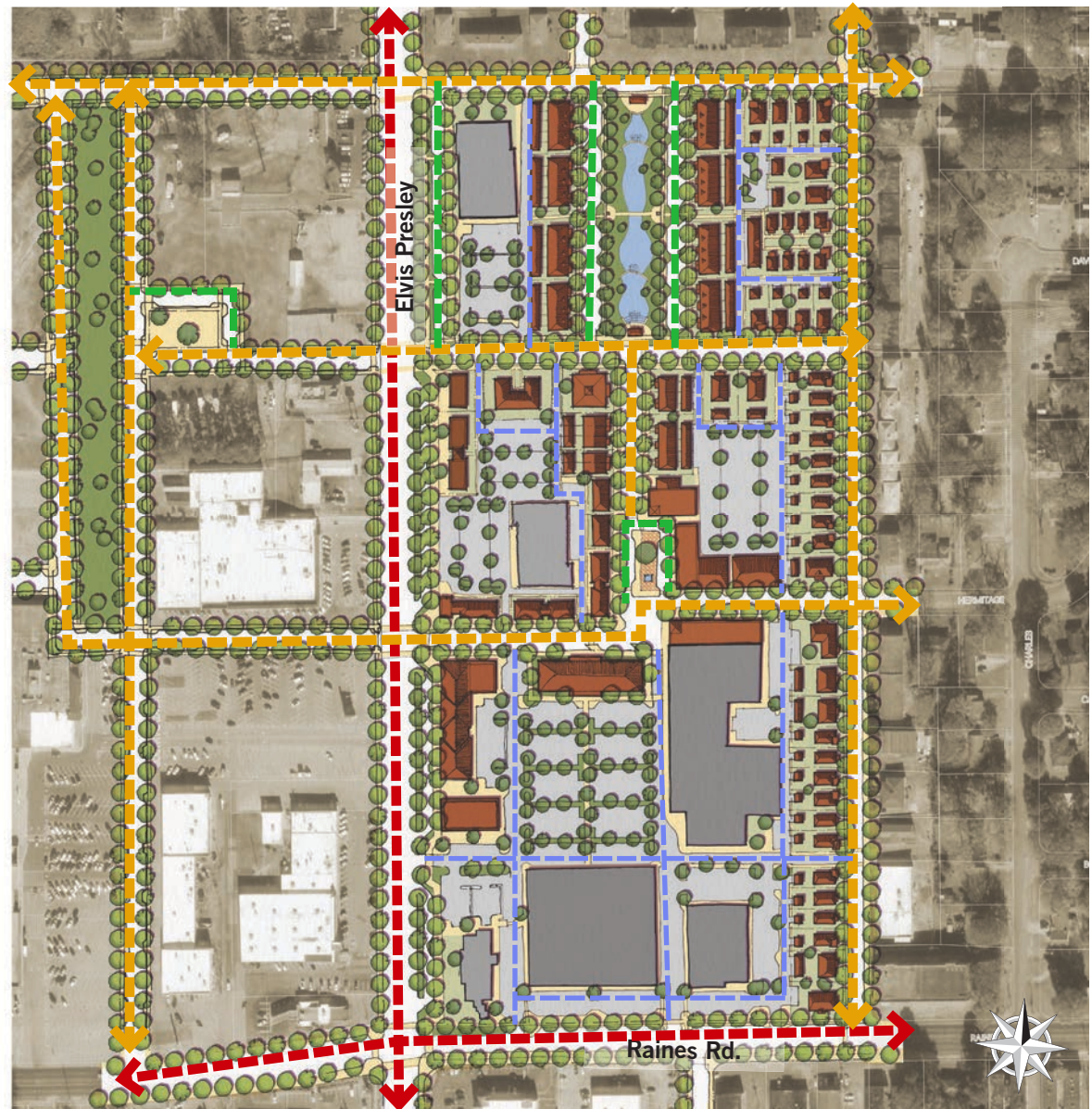


Allows for Simple Maintenance

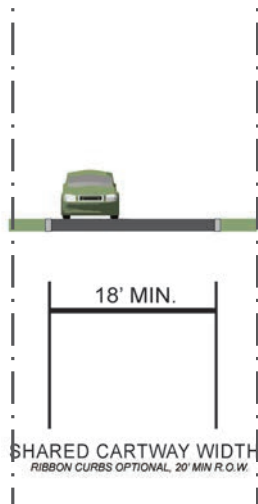
Introduce a New Network of Streets to Improve Connectivity

- Streets and blocks are the physical building blocks of a neighborhood. A new network of streets can help to define a place and provide better connectivity.
- Connect surrounding neighborhoods to retail/ mixed-use areas and civic amenities.
- Increase usability and safety for pedestrians, bikes, and cars on existing and new streets.
- A variety of street types help to create diverse places within a neighborhood and make it possible to respond to different conditions with appropriate street designs.
- The Memphis 3.0 Comprehensive Plan provides a palette of street types so that different types can be matched to different conditions around Memphis. The street cross sections on the next page are most appropriate for this plan area.

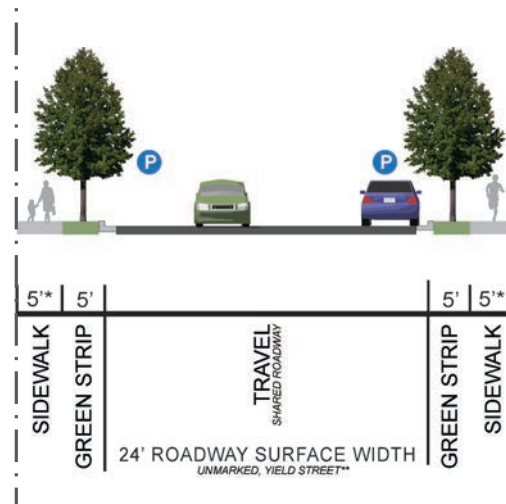
-  Alley
-  Two Way
-  One Way
-  Parkway



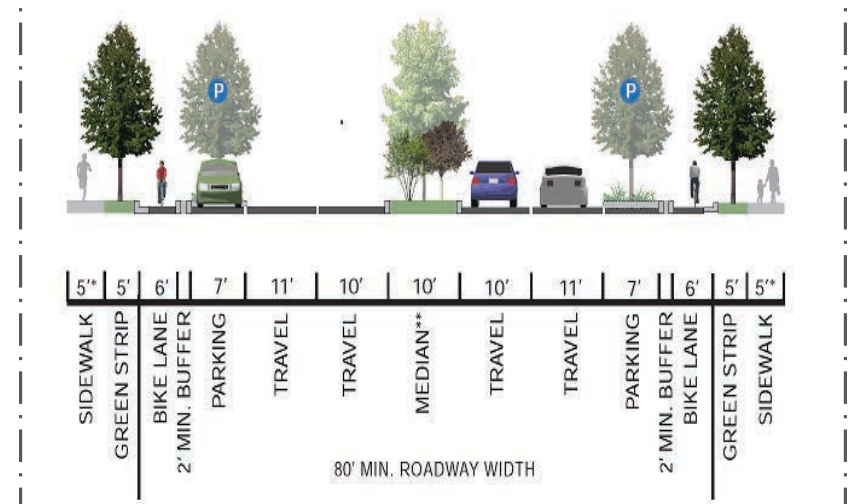
PROPOSED TYPICAL ALLEY



PROPOSED TYPICAL LOCAL STREET



PROPOSED TYPICAL PARKWAY OPTION



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Implementation 3 section



Creating Mixed Income Communities and Quality Housing

EXISTING CONDITIONS

The existing community character in Whitehaven is mainly single-family homes with a mix of multifamily residences. Single-family neighborhoods are stable with relatively little vacancy and blight with a median home value of \$102,600. The multifamily residences in the area are in need of improvements and in some cases redevelopment. Median monthly gross rent for multifamily in Whitehaven is \$862 and monthly rents range between \$529 to \$1,306.

SUPPORTING MIXED INCOME COMMUNITIES

Developing different types of housing including senior housing in the Elvis Presley and Raines Anchor Neighborhood could help to support a community with those of different economic backgrounds living in housing suitable to their needs. Mixed income communities offers a combination of market rate and affordable units. Designating 20% of the new housing as affordable could help to establish more social cohesion within a neighborhood, while reducing disinvestment and poverty concentration.

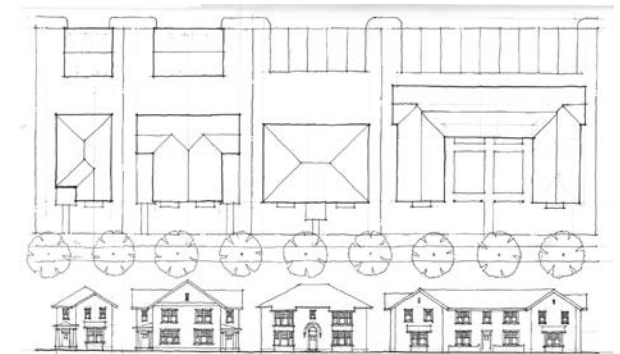
FUNDING & INCENTIVES FOR MIXED INCOME DEVELOPMENT

Closing the housing gap while meeting a range of affordability options requires that developers explore a combination of City, State and Federal incentives. The newly established Memphis Affordable Trust Fund

(MATF) is meant for new construction and rehabilitation of multifamily homes. The fund also allows for minor home repairs and rehabilitation of single-family homes as well. The City of Memphis committed \$700,000 of fiscal year 2020 (FY2020) general budgetary funds and the division of Housing and Community Development (HCD) committed \$300,000 of their FY2020 budgetary funds towards the MATF. HCD offers competitive annual grant programs for infrastructure improvements and/or affordable housing that will ultimately support neighborhood revitalization or job creation. Known as Strategic Community Investment Funding (SCIF), the grants are available to profit and nonprofit agencies.

In combination with City investment, State funding is another alternative that could help to subsidize land acquisition and construction of mixed-income housing. Private developers can use Low-Income Housing Tax Credits (LIHTC) from State housing agencies which are then sold to private investors to obtain project funding. Utilizing LIHTC would depend on the developer's interest and up front capital, and can be combined with Federal affordable housing programs such as HUD's Choice Neighborhoods, HOME Investment Partnerships Program (HOME), and Community Development Block Grants (CDBG). HOME grants are often used in partnership with local nonprofit groups to fund the purchase or development of affordable housing rental units or homes. CDBG funding is flexible in that it can be used to fund various projects that benefit the welfare of low- and moderate-income persons. Other federal incentives include the Zero Interest Fund Program and the Affordable

Housing Program. These programs are provided by the Federal Home Loan Bank of Cincinnati, available to member institutions, and help fund up front infrastructure costs for new housing or commercial projects.



Zoning Analysis of Whitehaven Plaza

Following the charrette, Memphis' Unified Development Code (UDC) was reviewed to establish consistency between the plan developed for Whitehaven Plaza and the existing zoning ordinance, and where zoning adjustments to existing zoning will be necessary to realize the vision established during the charrette.

EXISTING CONDITIONS

Existing zoning in Whitehaven Plaza enables mixed use. Whitehaven Plaza is zoned CMU-3. In addition to commercial uses, CMU-3 allows most residential land uses. Special Use Approval by the Land Use Control Board is required for some uses, including Large Home, Stacked Townhouse, Apartment Multifamily types, and Hotels/Lodging, among others. Of the uses requiring approval by the Land Use Control Board, Apartment Multifamily and Hotels/Lodging is included among those uses envisioned for Whitehaven Plaza.

LOT SIZE

Central to the vision for the Whitehaven Plaza is the development of a new residential neighborhood which would include small-lot single-unit homes and multifamily buildings. The CMU-3 zoning presents some obstacles to realizing this vision. The CMU-3 zone requires parcels 50' min. in width for nonresidential buildings and large apartments, however certain building types such as townhomes and detached cottages may benefit from narrower lots. Lots narrower than 50' are important for enabling compact neighborhoods that support the denser,

walkable neighborhoods envisioned by Memphis 3.0 and by the Whitehaven Plaza small area plan charrette process.

PARKING

A summary of parking requirements applicable to the Whitehaven Plaza are as follows:

- 1-2 units for single family/duplex detached/attached
- 1-1.5/unit generally for multifamily depending on building type
- 1 per 1,000 for retail uses less than 4,000 sf, depending on retail type

Opportunities for parking reduction are made available to parcels with access to transit, pedestrian facilities, and on-street parking, and for those projects that provide bicycle parking, as follows:

- 10% reduction allowed when within 660 feet of a transit stop
- 5-10% if residents within 1320' of the development site are connected to the site via sidewalks
- 1 off-street parking space may be reduced for every 1 adjacent on-street parking space
- Up to 5 spaces for 25 parking spaces

The plan for the Whitehaven Plaza intentionally integrates features such as on-street parking, transit access, and bike and pedestrian facilities to make parking reduction opportunities available to development occurring in

the area. Development should be encouraged to take advantage of these reductions.

BUILDING AND SETBACKS

Whitehaven Plaza is designated as an Urban Main Street Anchor type. Buildings in Urban Main Street anchors are intended to be between 1 and 7 stories in height. CMU zoning allows for up to 75' in height, which is likely sufficient to allow for the types of buildings intended for this anchor type. Buildings are required to be set back a minimum of 20' from the front of lot, however this can be reduced to zero if provisions for transparency are applied. The plan envisions front setbacks between 15' and 10' in neighborhood areas and 0' in main street environments. Development, particularly in main street environments, should satisfy transparency provisions to qualify for 0' front setback in order to realize the vision of the plan.



Existing setback (green line) at the credit union building in Whitehaven Plaza is 50 feet.

SITE DESIGN AND BLOCK SPACE

The plan for Whitehaven Plaza proposes 2,600 feet and block faces less than 600-1000 feet. As such, the proposed project appears possible as a Major Subdivision, which would require Land Use Control Board approval.

The vision for the Whitehaven Plaza anchor includes civic spaces of varying scale and character. Open space standards for CMU zones require that at least 0.6% of the site be set aside for civic space within developments that are 15 acres or larger. At 31 acres (entire site) the approximately 59,200 square feet of civic space included in the illustrative plan for Whitehaven Plaza more than satisfied the 8,102 square feet of civic space required for the site by its zoning. The formal open spaces included in the illustrative plan for the Whitehaven Plaza acre are compliant with the minimum dimensional standards included in the code.

STREETSCAPE AND THOROUGHFARE DESIGN

CMU zones allow the full range of streetscape plates to be applied. The option to introduce local access roads along Elvis Presley Boulevard to form a Boulevard could utilize Types S-5 and S-6, which appear to be flexible enough to accommodate this design option. Section 4.4.2.C appears to require that these local access lanes have a minimum width of 22', however since this specific street type has not been implemented elsewhere in Memphis it is unclear how this standard would apply. Section 4.4.3.B.2 appears to suggest that any local access road would need to re-merge

with the parallel arterial (Elvis Presley Boulevard) prior to an intersection. Otherwise, if the local access roads in the Boulevard design intersect with Raines Road, the next allowed intersection on Elvis Presley Boulevard north of Raines Road would need to be located a minimum of 450' away from the existing intersection with Raines Road.

The plan for Whitehaven Plaza proposes 2,600 feet and block faces less than 600-1000 feet. As such, the proposed project appears possible as a Major Subdivision, which would require Land Use Control Board approval. Generally, intersections can be spaced 400 feet apart along arterials and 150-200 feet along local/connector streets. This is consistent with the proposed plan for the Whitehaven Plaza. Distances between intersection on local streets must be a minimum of 150 feet, so the design of the proposed internal street that crosses "The Patio" may require further refinement or examination.

OTHER ZONING CONSIDERATIONS

In Midtown, some important corridors such as Madison Avenue and Cooper Street have designated frontage requirements. Similar standards, if applied along Elvis Presley Blvd. and other streets where anchors have been designated, would help to transition areas to more walkable, urban environments. This would start to suggest a framework not only for the streetscape plates but also for the frontage types that would apply in these locations.

From a procedural standpoint, a project that is compliant with the UDC but requires a major subdivision requires

the same public consideration as a Planned Development (PD). From the community's standpoint the PD may be less desirable since it is less predictable than clearly articulated and tested development standards in the UDC. In order to disincentivize PD use, the approvals process for development in anchor areas could be streamlined.

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Catalysts and Strategies for Implementation

Implementation is a shared task – it will take collaboration between many individuals, organizations and governmental bodies to make changes at the Elvis Presley and Raines Anchor Neighborhood. Change will not happen overnight but can come in phases and begin with incremental change.

SHORT-TERM CATALYSTS

To build off the existing assets and businesses in the Elvis Presley and Raines Anchor neighborhood, there are short term implementation items (1 year) that can act as catalysts. Light pole street banners and public art are a way to promote the identity of Whitehaven and provide aesthetic appeal. Additional signage can orient visitors to neighborhood offerings and make connections to other areas of the City such as South Memphis. Using the vacant green space and excess parking in Whitehaven Plaza for community events such as a movie night, food truck days with seating, or recreational events can spur activity.

Vacant business spaces within the area can serve as temporary pop up shops. With partnerships and incentives, pop up shops can become permanent. Working with property owners to encourage entrepreneurs to set up shop in their vacant properties at a limited term reduced rate could help to revitalize the commercial areas of Whitehaven. Leveraging the Greater Whitehaven Economic Development Corporation (GWERC) as a liaison or as a business recruitment resource could aid in this.

To assist existing businesses in the Elvis Presley and Raines Anchor Neighborhood, there are resources available. The Economic Development Growth Engine for Memphis & Shelby County (EDGE) offers two types of business loans. The EDGE Impact Fund will give loans of \$150,000 or more to existing businesses with 2 to 500 employees. The second loan offered by EDGE is the Inner City Economic Development (ICED) Loan Program. The ICED loan provides forgivable loans of up to \$25,000 for façade and building improvements. In 2018, the City of Memphis launched the 800 Initiative. The initiative supports African American businesses and provides technical assistance, coaching, loans and grants. Guiding existing small and local businesses towards these resources can start the process of building up not only the businesses but the anchor as well.

STRATEGIES FOR INFRASTRUCTURE

The Elvis Presley and Raines area is situated along Elvis Presley Blvd. which is among one of the City's most heavily traveled corridors. To create strong connections between Elvis Presley Blvd. and Raines and the rest of the surrounding neighborhoods, infrastructure upgrades are necessary. This will include integrating improved and safer pedestrian connections to and through the Elvis Presley and Raines area.

During the Memphis 3.0 planning process and the small area plan process, citizens expressed the need for pedestrian upgrades along Elvis Presley Blvd. and Raines. There are some mid-term items (2 to 5 years) that can be

implemented such as intersection improvements. Using high visibility paint in the crosswalks, signage and a pedestrian signal will improve the safety of pedestrians. Completing the sidewalks along Raines from Elvis Presley to Barton will provide greater connection and improve safety as well. Bus shelter improvements and street trees will improve the comfort of pedestrians and provide refuge from the weather.

There are long term infrastructure implementation items (5 to 10 years) that will improve connections, pedestrian safety and build up Whitehaven Plaza and the Elvis Presley and Raines Anchor Neighborhood. Creating an internal street network within Whitehaven Plaza provides the beginning infrastructure for the redevelopment of the plaza. Introducing new streets connecting the site from east to west, will create new street frontage along Elvis Presley and Raines, therefore providing better access to existing and new businesses at the center of the site. Multifamily property improvements and upgrades in the will further help to build up the area through encouraging and incentivizing multifamily property owners to improve and upgrade their properties. Improving the quality of multifamily properties not only benefits existing residents but can spur other property owners to make improvements and investments as well. A public Wi-Fi zone at the Elvis Presley and Raines area could be established in the long term. This zone would allow anyone with a Wi-Fi capable device such as a tablet or smartphone to connect to the internet for free. The Wi-Fi units will have to connect to existing power poles or buildings in the area.

Economic Impact and Implementation Funding

ECONOMIC IMPACT & BENEFITS

As a part of the plan area process, financial modeling was used to determine costs for implementation at Whitehaven Plaza and the overall economic impact. Based on local economic conditions and existing projects in the City of Memphis, the total project investment is expected to have an economic impact of \$93.9 million. The model also projects 700 jobs to be created if the development comes to fruition. The overall economic impact and benefits can come in the form of increased tax revenues, job creation, new businesses, increased wages, and new residents. The appendix provides full details of the financial modeling.

The total project market value is expected to be \$49.1 million, with the development anticipated to occur in three phases. The development could have 168 residential units of several types including multi-family, live/work, and single-family. Commercial, retail and office are included with a focus on mixed-use. A community facility and hotel are two additional uses that were included in the financial modeling. Parking was not included in any of the pro forma assumptions.

The plan includes 45 single-family units with construction potentially occurring in phases two and three. Tax revenue for the City is expected to be \$36,480 for the single-family units of the project. However, the developer is expected to yield a profit of \$1.6 million for this portion. Mixed-use in the development could occur in phase one. With a projected net income operating gap of 11%, it is likely larger public incentives are necessary to make this

financially feasible. A 110-room hotel was modeled as a potential use for the plan area. Development costs could be as high as \$17.1 million with an expected revenue of \$4.1 million. This high development cost could require a larger public incentive like the mixed-use portion of the project. The assumption was made that the 15th year of the development would be the stabilizing year and tax revenues for the City of Memphis are projected to be \$11.1 million minus any public incentives. The cumulative economic impact and benefits of the investments can bring about change in the plan area and extend beyond.

IMPLEMENTATION FUNDING

The plan area has seen little private investment on a large scale except for Graceland. There have been some smaller private investments at Whitehaven Plaza recently with a Planet Fitness and a new Mexican restaurant. During the charrette process, attendees identified the Elvis Presley & Raines Anchor Neighborhood as being a potential catalyst of change. With its proximity to Graceland, a heavily visited destination, the area can be a place for not only tourists to utilize but for residents to work, live, and play.

Implementation at the Elvis Presley and Raines Anchor Neighborhood can build off the existing private and public investments made at Graceland. Completed in March 2017, Elvis Presley Enterprises (EPE) invested \$137 million to implement Phase One of its revitalization plan. A public private partnership between EPE, EDGE, the City of Memphis, Shelby County and the State of Tennessee created a new Tax Increment Financing District (TIF),

a Tourism Development Zone (TDZ) and a Tourism Development Zone surcharge, which are only available for use on the Graceland property. However, the project is projected to have over a \$1 billion economic impact, create over 500 new jobs, and potentially generate over \$50 million in additional tax revenue to be used in the rest of Whitehaven.

There are potential funding mechanisms to encourage development for the plan area. Two census tracts of the plan area are in an Opportunity Zone. A part of the Tax Cut and Jobs Act of December 2017, an opportunity zone is an economically-distressed community where new investment, under certain conditions, may be eligible for preferential tax treatment. Creating a new TIF area is another option to encourage development and decrease the financial feasibility gap.

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Appendix 4 section

Financial Feasibility

Bass River Advisors conducted a financial feasibility study for the implementation of the Elvis Presley & Raines Anchor Neighborhood Small Area Plan. The following pages are adapted directly from the study.

BACKGROUND

This report presents the financial summary for Bass River Advisors' financial feasibility study for the Whitehaven Plaza Anchor implementation plan. The implementation plan, a four (4) phase development was prepared by Opticos Design, Inc. (ODI) as part of the Memphis 3.0 Comprehensive Plan.

With the objective of measuring financial feasibility and economic impact (jobs, investments, tax revenues, etc.) of the development projects, a financial model was prepared for each program within the development plan. In addition to our financial analyses, also included in the report are our key findings, key assumptions and methodology.

The section "Major Programs" discusses the development program elements or alternatives (e.g., Multifamily Residential, Single-family Residential, Hotel Commercial, Retail Commercial, and Community Facilities), and provides specifications for each. In the section "Key Assumptions," we describe important financial assumptions regarding the feasibility of each of the five (5) alternative development programs. The section "Key Findings" details the summarized results of Bass River Advisors' financial analysis of the Whitehaven Plaza Anchor implementation plan. In "Limiting Conditions," we discuss any core limitations to a typical financial feasibility analysis.

The section "Financial Performance and Economic Impact" provides the location-specific financial data and discussion of the economic impact of this plan. In "Expected Benefits – Increased Revenue" and "Expected Benefits – Increased Investment" we offer analysis of the revenues generated from and investment required for the plan. The section "Feasibility Gap" gives a closer look at the financial feasibility gap of the current plan versus industry

standards. Finally, in the section, "Methodology," we describe the analytical models and methods used to reach our conclusions and provide this analysis.

MAJOR PROGRAMS

The following five program elements were conceptualized by Opticos Design, Inc. Bass River Advisors evaluated the financial feasibility and the economic impact of each program element. While our analyses forecasted required parking spaces based on a set of assumptions, our analyses do not include the development cost or economic impact because parking is generally guided by zoning requirements. Additionally, our analyses do not forecast or project the development cost or economic impact of a planned community facility because no conceptual plans have been developed.

1. Multifamily Residential Development (168 Units)

The conceptual plan provides for the development of 168 units over the four phases. 25 small live work units with 850 square feet are introduced in Phase 1. The target market for these units would be renters who seek a work/live unit that allows for a wide variety of uses, potentially ranging from light assembly/fabrication by artists or craftspeople, to offices for professional or technical users.

Phase 1 multifamily units allocate 30% of the units to 3 bedroom units with larger square footage and higher rent assumptions. Phase 2, Phase 3 and Phase 4 also maintain the assumption that 30% of the multifamily units are allocated to 3 bedroom units with larger square footage and higher rent assumptions.

2. Single-Family Residential Development (45 Units)

Phase 1 provides for 19 single-family units on small lots. Phase 3 and 4 provides for 26 single-family units with townhome features. The townhome units target higher density and greater utilization of the small size lots.

3. Hotel Commercial Development Commercial (35,750 square feet)

The initial concept for commercial investment provides for a 110 room-limited service hotel property housed in a 35,750 square feet development. The rooms are sized at an estimated 325 sq. ft.

4. Retail Commercial Development (30,700 square feet)

In Phase 1, the plan provides for commercial space to be used for retail activity. The concept calls for a mix-use setting with the commercial retail space on the ground floor and multifamily residential on upper floors. The total built area for retail use is 30,700 square feet.

5. Community Facilities (12,000 square feet)

The conceptual plan provides for a 12,000 square feet community building. A specific plan or conceptual plan for the community facilities program has not been developed. No economic impacts or feasibility analyses are included in our report.

All conceptual programs provide for a total of 241,650 square feet of built space (excluding the community facility and parking). Table I below represents the elements of the conceptual plan used to evaluate the economic impact and feasibility of the Whitehaven Plaza Development Projects.

Table 1 describes the unit and square footage allocations for the alternative development elements. The conceptual community facility program provides for a total of 12,000 square feet of built space and also excludes parking. As of our work, no amenities have been conceptualized in the current plans.

Table I. Whitehaven Plaza Development Projects (Part 1)

	Allocation
Use Program	Use
Phase 1: Residential	Units
- Live Work	25
- Multifamily Apartments	72
Total Phase 1 Residential	97
Phase 2: Residential	Units
- Single-family	19
- Multifamily Apartments	25
Total Phase 2 Residential	44
Phase 3 / 4: Residential	Units
- Single-family / Townhomes	26
- Multifamily Apartments	46
Total Phase 3 / 4 Residential	72
Commercial	Building SF
- Hotel 110 Rooms	35,750
- Other TBD	-
Total Commercial	35,750
Retail	Building SF
- Phase 1: Retail	30,700
- Retail: TBD	-
Total Retail	30,700

As shown in Table II, below, no community facility option is considered to evaluate the economic impact and feasibility of the Whitehaven Plaza Development Projects.

Table II. Whitehaven Plaza Development Projects (Part 2)

Community Facilities	Building SF
- TBD	12,000
Total TBD Community Facilities	12,000
Parking	Spaces
Office Parking	78
- Parking Phase 1	149
- Parking Phase 2	39
- Parking Phase 3 / 4	111
Total Parking	377

KEY ASSUMPTIONS

In addition to the development program specified above for each element of the development project, the following pro forma assumptions were used to complete the financial feasibility analysis for each element.

Multifamily Mix-Use Residential Development

Construction costs were projected as follows:

- Multifamily residential: \$130,000 per unit resulting in a range of \$81.25 – \$152.94 per sq. ft. depending on size
- No parking costs are included in the pro forma assumptions

Soft costs are assumed to not be a significant driver of the overall cost of construction on a per square feet basis.

Single-Family Residential Development

Construction costs were projected as follows:

- Single-family residential: \$110.00 per sq. ft. large-size
- Single-family residential: \$108.50 per sq. ft. medium-size
- Single-family residential \$103.00 per square foot small-size
- Townhomes: \$103.00 per sq. ft.

Soft costs and land acquisition costs are assumed to not be a significant driver of the overall cost of construction on a per square feet basis. No assumptions are made for marketing costs or extensive holding periods.

Hotel Commercial Development

Construction costs were projected as follows:

- Hotel Room: \$156,000 per room

The higher room development cost is intended to account for the amenities and other market positioning enhancements to align with the higher profitability assumptions.

Retail Commercial Development

Construction costs were projected as follows:

- Retail: \$142 per sq. ft.

KEY FINDINGS

•**The feasibility of a conceptual plan to deliver a multi-phased diverse development as part of the Whitehaven Plaza Development Projects requires planning, coordination and execution.** Successful execution of the conceptual plan to deliver a multi-phased development that includes investments for a hotel project, a mix-use multifamily project and a single-family development project requires planning and coordination. A master developer and/ or specialized developer may require a financial fee ranging from 2 % - 5% of the development investment to execute and deliver the plan. In order to inform decision-making, we have provided for an estimated development fee of 2% based on the project capital investment. This estimate puts the Whitehaven Plaza Development Projects conceptual plan development fee at just under \$1.0 million based on total capital investments of \$49.0 million.

•**The financial feasibility of a mix-use multifamily development will be challenging. The Whitehaven conceptual plan for a mixed-use development has a projected feasibility gap related to profitability.** Current market rents and projected affordability mix within the Whitehaven local area are low and could be challenged to support new development. Residential rental rates will need to increase for new development to become feasible. Using Net Operating Income (NOI) as a financial benchmark, the financial feasibility gap is measured by the difference between projected NOI and a typical industry average for NOI. The Whitehaven financial feasibility NOI gap is 11%. Over a fifteen (15) year horizon this gap could quantify to a conservative \$3.7 million mostly driven by the multifamily element of the development. To make a residential mix-use development project feasible, the development may require financial incentives or other financial benefits for a potential developer or investor.

•**The financial feasibility of a hotel development could be challenging.** The Whitehaven conceptual plan for a hotel development has a projected feasibility gap related to the initial measure of profitability as defined by net operating income (NOI). The Whitehaven NOI gap is 9% when compared to industry norms. The financial feasibility analysis uses local market conditions to inform operational assumptions and assumptions regarding average daily rentals and vacancy rates. These assumptions in total drive the overall financial feasibility of the hotel development. Using net operating income (NOI), a hotel development does not appear to be financially feasible. Over a fifteen (15) year

horizon an NOI gap of 9% could quantify to a conservative \$5.7 million mostly driven by the profitability of available rooms. To make a hotel development project feasible, the development project may require financial incentives or other financial benefits for a potential developer or investor.

•**The financial feasibility of a new single-family housing development project will be challenging based on difficult local market conditions.** The Memphis market has been a difficult local market for new housing development. The southern part of the City of Memphis tends to be the weakest part of the city for housing activity (i.e., new build permits, exiting sales, avg. price of sales, etc.). While the Whitehaven submarket does not reflect the conditions of the southern-most parts of the city, its housing activity is influenced by those conditions. A single-family development of new housing would be both challenging and difficult. It could be difficult for builders, developers and/ or investors to risk capital investments. Also, it may be challenging for builders, developers and/or investors to match the market supply-demand cycles in order to minimize financial risk. The financial feasibility of a new housing initiative is generally driven by such factors including construction costs, land costs and infrastructure costs. The Whitehaven Plaza Development Projects feasibility analysis is driven by the profit a builder, developer and/or investor can achieve.

LIMITING CONDITIONS

Bass River Advisors reviewed construction cost estimates included in local development plans within the last two years. Because of the factors that drive and inform the financial feasibility of a development project are potentially subject to significant change at any time, updated project-specific feasibility analyses should be conducted before considering whether to proceed with a particular development project.

Additionally, total development costs can be significantly affected by relatively modest changes in material costs, labor rates, building code requirements, parking requirements, and other factors. The project financing could be driven by the considerations outside the scope of the financial feasibility. Also, city zoning, prevailing wages and other requirements could have a material effect on a development project's feasibility.

FINANCIAL PERFORMANCE AND ECONOMIC INPUT

Table III is the financial summary for the Whitehaven Plaza Development Projects which highlights the overall investment program as measured by estimated market value. Also, included below are details related to the estimated local tax revenues, the estimated number of incremental jobs created (inclusive of temporary construction jobs) and the estimated one-time economic impact of the development project.

Table III. Whitehaven Small Area Plan: Financial Performance

Project Financial Performance	Amount
Market Value	\$49,077,300
less Construction Cost	(\$49,077,300)
plus Public Incentives	\$981,546
Developer Profit	\$981,546
Rate of Return	2.04%
City Revenue	Amount
Total Tax Revenue	\$11,137,678
City Revenue (Cost) for Land	\$0
less City's Cost of Land	\$0
less: City Costs for Subsidized Uses	(\$981,546)
City (15 year) Net Revenues	\$10,156,132
City Fees	Amount
One-time Fee to City Related to Development	\$101,476
Job Creation (Incremental)	Amount
Office Jobs	0
Retail/Entry Level Jobs	46
Construction Jobs	654
Total Jobs	700
Economic Impact	Metrics
One-time Economic Impact During Construction Phase	\$ 93,868,373
Mixed-Use Property Tax Rate Per Developed Sq. Ft	\$ 1.46
Residential Property Tax Rate Per Developed Sq. Ft	\$ 0.67

EXPECTED BENEFITS - INCREASED REVENUES

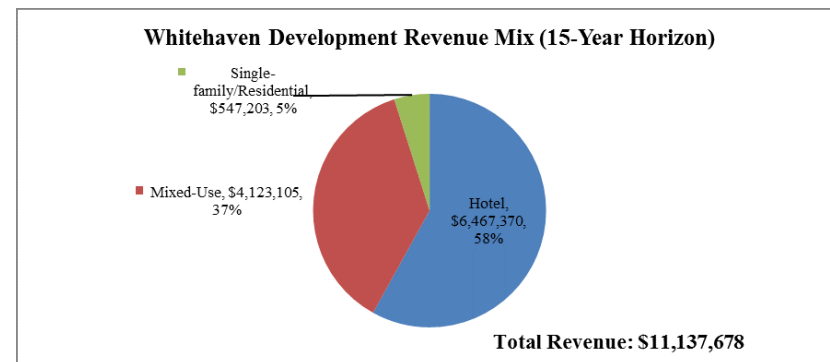
Table IV is the summary of the potential local revenue generated from the Whitehaven Plaza Development Projects as defined by project element over a 15-year horizon.

Table IV. Whitehaven Development Revenue Mix (15-Year Horizon)

Whitehaven Development Revenue Mix (15-Year Horizon)	
Use	Revenue (\$)
Hotel	\$6,467,370
Mixed-Use	\$4,123,105
Single-family/Residential	\$547,203
Total Revenue	\$11,137,678

Listed below in Chart I is the share by project element of the potential local revenue generated from the Whitehaven Plaza Development Projects over a 15 horizon.

Chart I. Whitehaven Development Revenue Mix (15-Year Horizon)



EXPECTED BENEFITS - INCREASED INVESTMENTS

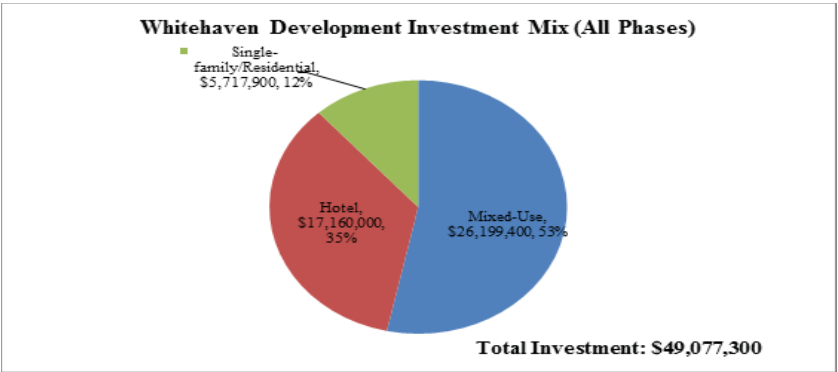
Table V is the summary of the potential local investment from the Whitehaven Plaza Development Projects as defined by project element.

Table V. Whitehaven Development Investment Mix (All Phases)

Whitehaven Development Investment Mix (All Phases)	
Use	Investment (\$)
Mixed-Use	\$26,199,400
Hotel	\$17,160,000
Single-family/Residential	\$5,717,900
Total Investment	\$49,077,300

Chart II is the share by project element of the potential local investment for the Whitehaven Plaza Development Projects. community building.

Chart II. Whitehaven Development Investment Mix (All Phases)



FINANCIAL FEASIBILITY GAPS

Table Vi. Current Whitehaven Model Feasibility Gaps (Year 15 Stabilized)

Current Whitehaven Model Feasibility Gaps (Year 15 Stabilized)			
Use	Current Model NOI	Feasibility NOI	Feasibility Gap
Mixed-Use	29%	40%	-11%
Hotel	21%	30%	-9%
Single-family/Residential	30%	30%	0%
Total Gap			-20%

Chart III. Current Whitehaven Model Feasibility Gaps (Year 15 Stabilized)

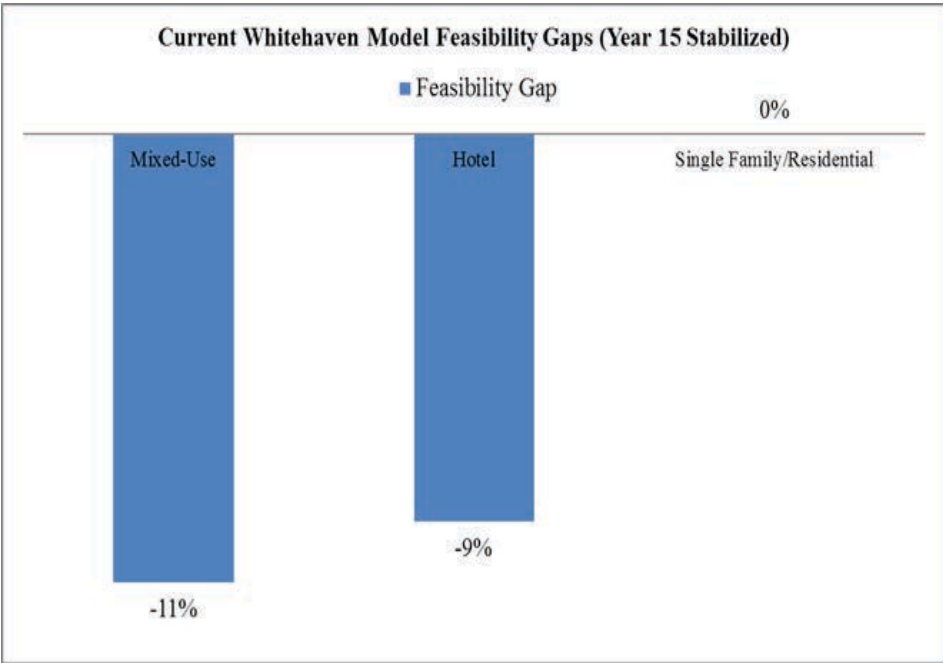


Table VII. Current Whitehaven Model Feasibility Gaps Dollarized (15-Year Horizon)

Current Whitehaven Model Feasibility Gaps Dollarized (15 -Year Horizon)	
Use	Feasibility Gaps Dollarized
Hotel	-\$5,684,939
Mixed-Use	-\$3,730,528
Single-family/Residential	\$0
Total Gap	-\$9,415,467

METHODOLOGY

Each development project was conceived for a site included in the Whitehaven Plaza Anchor as part of the Whitehaven Plaza Implementation Plan. The steps to conducting this financial feasibility included:

1. Development program: The development programs for each element of the project was sourced from the Opticos Design, Inc. Phased Development Plan for the Whitehaven Plaza Anchor.
2. Cost assumptions: Estimation of construction costs for the development program including developer rates of return and calculation of total development costs are based upon assumptions.
3. Revenue assumptions: Estimation of rental and sales revenues based on rents and sales values needed to achieve feasibility from an industry perspective.
4. Financial Feasibility: Estimation based on net operating income (revenues less operating expenses). Market and income assumptions were considered in the allocation of unit sizes and product mix considerations which directly impact profitability. Finally, where appropriate, developer profits were considered as part of the financial feasibility.
5. Analysis and conclusions: A series of static financial models were used for each element of the development project to inform our conclusions on that element's financial performance versus industry norms.

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