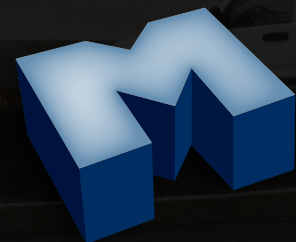


State Legislative Agenda 2012



GREATER MEMPHIS CHAMBER

GREATER MEMPHIS CHAMBER

STATE LEGISLATIVE & REGULATORY AGENDA 2012

**Approved by the Chamber Board of Directors
January 19, 2012**

To our State, Federal, and Local Elected Officials:

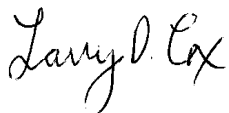
On behalf of the members of the Greater Memphis Chamber and our partner organizations, we are pleased to present our 2012 State Legislative Agenda. This Agenda describes the issues that we believe will impact our region and the state over the next couple of years and presents our views from the perspective of the business community.

Rarely have we seen the number of opportunities that exist today. The recent investments in our community have come as a direct result of your legislative efforts. Many issues in our agenda are a direct response to present challenges, but we also believe that this document reflects our collective optimism and excitement as we face the future.

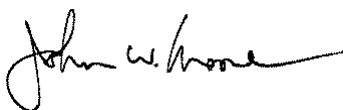
To be certain, Memphis is at a turning point. Our renewed economic development initiatives give us a historic opportunity to work together to create a more streamlined and effective economic development system, and we will work hard to achieve that overarching goal. Similarly, through our members and partners, we will work diligently with our State and Federal elected officials to implement policies that move us forward.

The desire to boost our economic recovery and create jobs is at the core of this agenda. We look forward to working with you to achieve our shared vision.

Best Regards,



Larry Cox
President & CEO
Memphis Shelby Airport Auth.



John Moore
President & CEO
Greater Memphis Chamber



Andre Dean
VP, Public Policy, Community Affairs
Greater Memphis Chamber

EXECUTIVE SUMMARY

The Greater Memphis Chamber and its partner organizations represent the interests of more than 2,300 businesses in the Greater Memphis area. We share a common vision for accelerating economic growth and increasing regional prosperity. While we are concerned about the unprecedented economic challenges that are now upon us, we are confident that our Public Policy Agenda, representing our members, will help elected officials and public-sector leaders position the resources to respond effectively to these challenges.

For 2012 the Chamber has focused on areas of public policy where legislative action can have the greatest impact across our community. Specifically, we have focused on Biotechnology, Healthcare, Infrastructure/Logistics, Tourism and Small Business Regulations. The Chamber's legislative agenda represents the top priorities of the many requests that are annually reviewed by the Chamber's Government Affairs and Review Committee (GARC). The GARC recommends the final list for approval by the Chamber Board of Directors.

The next page of this document can be used as a quick reference for elected officials and other policy decision makers. It summarizes the legislative requests for 2012. Following the summary, the detailed request and supporting rationale are provided.

SUMMARY OF 2012 STATE LEGISLATIVE PRIORITIES

BIOTECHNOLOGY
<ul style="list-style-type: none">• UT – Baptist Research Park – Funding to complete projects of \$4MM over next 2 years• Memphis Research Consortium – Applaud legislature for approving current funding and supports building community awareness of this initiative.
HEALTHCARE
<ul style="list-style-type: none">• Marketplace and government regulations – Support State Exchange and oppose passing unnecessary cost on to businesses• Wellness – Support incentives for businesses to offer health promotion activities
INFRASTRUCTURE / LOGISTICS
<ul style="list-style-type: none">• Aerotropolis – Support \$1.7MM fund to develop and promote Aerotropolis initiatives• Road and rail corridors of significance – Support and communicate major road and rail projects of significance.
TOURISM
<ul style="list-style-type: none">• Advertising – Aggressively promote TN Tourism• Bed Tax – Develop a cap that cities/counties can access and keep separate from the General Fund
SMALL BUSINESS PRIORITIES
<ul style="list-style-type: none">• Bond Fund for Minority Business – Establish \$5MM fund to assist minority contractors with bonding requirements.• Reduced Regulatory Barriers – Support review of regulations that are burdensome to small business.
OTHER ECONOMIC DEVELOPMENT ISSUES
<ul style="list-style-type: none">• Confidentiality of Public Records – Extend provision of T.C.A. 4-3-730 to counties, municipalities for economic development purposes• Policy Changes in Retirement Fund Investments• Expand Incentives for Film, Television, and Music projects• Tax Increment Financing – Maintain current flexibility for local governments to use TIF as a redevelopment and economic development tool.• Elvis Presley Boulevard - Maintain in the budget funding provision for the state portion of Elvis Presley Blvd. Improvement Project.

BIOTECHNOLOGY

Position: The Greater Memphis Chamber supports a state investment of \$4.0 million over two years to help develop the UT-Baptist Research Park.

Continue Growth at the UT-Baptist Research Park

Rationale: Critical to the continued growth and success of Memphis and Shelby County's bioscience industry is the leveraging of significant local biomedical assets. **At completion, the UT-Baptist Research Park is expected to create 4,000 direct jobs and at least 5,000 indirect jobs with annual salaries totaling more than \$250 million.**

One major milestone in construction of the UT-Baptist Research Park was achieved in late 2011 – the Memphis Specialty Laboratory is currently under construction with a combination of funding from the State of Tennessee, deployment of a New Markets Tax Credit allocation awarded to Memphis Bioworks Foundation/the City of Memphis Division of Housing and Community Development, local philanthropic contributions, and private equity.

This specialized research facility by itself is expected to **retain \$3 - \$5 Million per year in research expenditures that are currently being expended in other parts of the U. S. or abroad.** The Memphis Specialty Laboratory will feature a “Green Roof” and Pedestrian Plaza that will be built on top of existing service docks in the UT-Baptist Research Park. Construction is scheduled to be completed in March of 2013 and the facility will be commissioned and operational by May 2013.

Current Needs – In order to maximize the impact of the Memphis Specialty Laboratory and catalyze the next stages of development of the UT-Baptist Research Park, the laboratory must be positioned as a strong **Translational Science Center** to support and fast track the path of commercialization of research discoveries by local researchers at UT Health Science Center, University of Memphis, and St. Jude.

A total of **\$4 million** is needed to purchase specialized equipment and build capacity to supplement the pre-clinical studies performed in the Memphis Specialty Laboratory and the Bioworks Incubator. This will include **histology, microscopy and toxicology services** which are needed to test samples that are generated by the Memphis Specialty Laboratory. This is a critical element to the full suite of services needed because it provides the final end results and reports to researchers for the Memphis Specialty Laboratory work. These critical services need to be available in conjunction with the Memphis Specialty Laboratory to make it competitive to the services and contribute to the sustainability of the operation.

Additional investment is also needed for equipment and **resources to perform pharmacokinetic studies**, a critical step necessary to test early stage drugs and therapeutic processes to determine their effectiveness and viability. This is a necessary part of the “proof of concept” work to take patented work developed by local researchers and license the technology for commercial use.

Anticipated Local Impact:

- Local availability of histology, microscopy, toxicology, and pharmacokinetic research capability will easily cut 6 – 12 months from the timeline needed to secure FDA approval of final stage clinical trial research.
- A one-year shortened FDA approval schedule means that commercial applications of new drugs, new treatment protocols, and new medical devices also occur sooner along with the new jobs that these commercial applications bring with them.

Budget (Source and Use of Funds):

Source of Funds	Secured	Needed
State of Tennessee Grant	\$7,000,000	
New Markets Tax Credit Equity	\$5,976,000	
Memphis Bioworks Foundation Equity	\$722,720	
Private Philanthropic Contributions	\$1,552,906	
Histology, Microscopy, Toxicology Translational Science Center		\$4,000,000
TOTALS	\$22,522,906	\$4,000,000

Timeline for Implementation:

- \$1.5 Million of the requested amount is needed by 8/31/2012 to order the initial equipment needed for the Translational Science Center.
- \$2.5 Million of the requested amount is needed by 12/31/2012 to order the balance of the needed equipment to allow time for delivery and installation prior to the March 2013 completion of the Memphis Specialty Laboratory construction.

Memphis Research Consortium

Position: The Greater Memphis Chamber applauds the State of Tennessee for previous funding of the MRC and encourages continued community support of shared research projects.

The Memphis Research Consortium is a collaborative venture focusing on research, medicine and health care, computational and computer sciences, engineering and learning technologies that promote long-term economic development and job growth. The Consortium is comprised of the University of Memphis, the University of Tennessee Health Science Center, St. Jude Children’s Research Hospital, Methodist Le Bonheur Health Care System, Baptist Memorial Health Care Corporation, the Memphis Bioworks Foundation, FedEx Corporation, Smith & Nephew, Wright Medical Technology, Inc., and Medtronic Sofamor Danek.

The Consortium has the potential to capitalize on local research & development and industrial market strengths to bolster the economy of Memphis and Shelby County.

Including Consortium projects in future State funding for higher education R&D will help speed the success and impact of this important collaboration.

HEALTHCARE

Position: The Greater Memphis Chamber supports the continued development of a health care system that is based on quality and outcomes and that is accessible to all people in our community.

The Affordable Care Act has ushered in a health insurance reform system that will completely revamp the health care market place. While various provisions of the law continue to change, we strongly support a sustainable health care environment that controls cost, promotes quality of care and expands affordable and accessible coverage.

Medical Marketplace - The structure of the new health care market should facilitate coverage in a manner that makes it manageable for consumers and employers to shop, compare and enroll in coverage that serves their needs.

- The marketplace should operate under the authority of the state of Tennessee versus Federal regulations in a model that leverages existing regulatory processes
- The marketplace should be competitive and maximize choice and competition to ensure consumer value

Wellness – Workplace wellness programs play a critical role in efforts to reduce health care cost and improve the health status of individuals.

INFRASTRUCTURE/LOGISTICS

Position: The Greater Memphis Chamber supports a state investment of \$1.7 million to be deployed towards growth of the Memphis Aerotropolis and other business retention and expansion initiatives.

Aerotropolis

The Memphis International Airport is the largest single economic generator in the City and State with nearly a \$29 billion annual impact. The “Aerotropolis Initiative” is designed to leverage this economic juggernaut and create additional jobs, capital investment, and corporate taxes for state and local governments. This concept supports our economic development initiative that seeks to maximize airport assets to attract new industry and expand existing businesses by coordinating and efficiently connecting the 4 R’s--Rail, River, Runway and Roadway transportation. The three pillars of our agenda are:

1. Airport Area Improvements
2. Quadra-Modal Infrastructure Enhancements
3. Target Sector Attraction

Airport City Economic Development

The Airport City is an economic hub that extends out from a large airport into a surrounding area that consists mostly of distribution centers, office buildings, light manufacturing firms, convention centers, and hotels, all linked to the airport via roads, expressways, and rail lines. Developing the Airport City Core will require revitalization efforts of the neighborhoods surrounding the airport which have the potential of accelerating continued expansion of the Memphis economy.

The Aerotropolis Initiative has focused efforts starting from the Airport and working out. The gateway of the airport brings in millions of visitors each year and this is the first impression they get of the City. The gateway requires significant upgrading to convey the message we want them to receive. The City has undertaken Phase 1 and needs assistance to complete the work. The second phase requires an investment of \$1.2 million which is equivalent to the phase one investment made by the City.

Since 1 of 3 jobs in the city is tied to the airport, predominantly related the FedEx Hub, promoting the airport area is an essential economic development strategy. There is an alliance established with France and China to market the three continental hubs of FedEx to bring new companies and jobs to Memphis and the respective hubs. To execute this strategy an investment of \$500,000 from the State would allow the Target Sector Attraction focused on biosciences, logistics, and high value manufacturing products.

ROAD AND RAIL CORRIDORS OF SIGNIFICANCE

Position: The Greater Memphis Chamber supports the top major road priorities and encourages TDOT to advance each of the projects as requested.

Memphis is recognized as “Americas Distribution Center” in large measure because of its transportation infrastructure including roads, airports, ports, and railroads. Additionally, Tennessee was recently recognized as one of the top five best states for business. There is a strong connection between transportation and prosperity.

- Every two years, the Major Roads Committee, which now also serves as the “Freight Committee” for the Metropolitan Planning Organization, prepares a list of the “top priorities” for the Tennessee Department of Transportation to design, fund and construct. This listing represents a consensus of the City and County governments, the business community and economic development officials and has been adopted by the Metropolitan Planning Organization.

FEDERAL/STATE PROJECTS (NO LOCAL FUNDING)

PROJECT	LOCATION/DESCRIPTION	NEXT STEPS
New Miss. River Multimodal Bridge	7 Potential Corridors	<ul style="list-style-type: none"> - Reduce Corridors to 4 - Additional Public Mtgs. On 4 Corridors - Fund completion of EIS
I-40 /240 East Interchange Phase II	Interchange	<ul style="list-style-type: none"> - Update NEPA Document - Fund Construction
Lamar/US78/I-22	MS State Line to I-240 – Aerotropolis Gateway Project	<ul style="list-style-type: none"> - Meetings with Constituents - I-22/Interstate System Connection Study - Fund ROW and finalize design - Fund and Start Phase II NEPA
I-55/Crump Interchange	Interchange Modification	<ul style="list-style-type: none"> - Complete Interim Construction - Complete ROW Plans FY2012 - ROW Acquisition FY2013 - Construction in FY2014

Summer Ave. US 70	I-40 to Elmore Road	<ul style="list-style-type: none"> - Fund Phase I Construction - Complete Construction plans for Phase II
I-69	MS State Line to Tipton County Line	<ul style="list-style-type: none"> - Fund ROW
I-40/Canada Road	Interchange	<ul style="list-style-type: none"> - Submit ROW Plans Summer 2012 - Fund Remaining Phases
SR 14 – Austin Peay	Singleton Parkway to SR 385	<ul style="list-style-type: none"> - Complete Phase I Design - Fund Phase II Construction
Germantown Rd. (SR 177)	Crestridge to Stout	<ul style="list-style-type: none"> - Construction Plans Turn In – Fall, 2012
I-240/Poplar (SR 57)	Widen (I-240 to Yates)	<ul style="list-style-type: none"> - Transportation Planning Report
I-240/Airways	Interchange Modification – Aerotropolis Gateway Project	<ul style="list-style-type: none"> - Provisionally accept IMS providing flyover ramp (NB to WB) - Proceed to NEPA incorporating other corridor design considerations
I-40/2nd St.	Interchange Modification	<ul style="list-style-type: none"> - Conduct Interchange Modification Study
US 72	Poplar to Quinn Road	<ul style="list-style-type: none"> - Construction Contract Awarded
I-269	SR 385 to MS State Line	<ul style="list-style-type: none"> - Fund Construction Phase
US 72 - Poplar	Kirby to Miller Farms - Widening	<ul style="list-style-type: none"> - Transportation Planning Report

FEDERAL/STATE PROJECTS (WITH LOCAL FUNDING)

PROJECT	LOCATION/DESCRIPTION	NEXT STEPS
Kirby (Shelby Farms) Parkway	Walnut Grove to Macon	<ul style="list-style-type: none"> - Develop Additional Information (FHWA) - Finalize NEPA - Complete ROW Plans
Elvis Presley (US 51/SR 3) Corridor	Brooks Road to Shelby Drive	<ul style="list-style-type: none"> - Corridor Design Phase - Funding for full construction
Plough/Winchester Interchange	Interchange Modification – Aerotropolis Gateway Project	<ul style="list-style-type: none"> - Update/Complete NEPA Document - ROW Plan Development
North 2 nd Street	I-40 to US 51	<ul style="list-style-type: none"> - Finalize NEPA - Fund Preliminary Engineering
Shelby Drive	Weaver Road to Paul Lowery – Access to Pidgeon Industrial Park	<ul style="list-style-type: none"> - Update Previous TPR - Provide Funding for NEPA - Provide funding for Preliminary Engineering
Poplar (US 72) /Sweetbriar Interchange	Interchange Modification	<ul style="list-style-type: none"> - Fund Construction
Sycamore View	Kirby to Mullins Station	<ul style="list-style-type: none"> - Refine Project Scope
Byhalia Road	Shelby Drive to SR 385	<ul style="list-style-type: none"> - ROW and Final Plans Completed Spring 2012 - Construction Funding Available 2012
Poplar (US 72)/Southern Corridor	Multi-mode corridor	<ul style="list-style-type: none"> - Transportation Planning Report

TOURISM

Position: Support Economic Development incentives to enhance growth of the Hospitality/Tourism industry.

The Hospitality Industry is the largest employer in the state of Tennessee. Hospitality plays an important role in our state by providing jobs and bringing in revenue from visitors from other states. Tourism in the State of Tennessee generated \$23.1 billion in 2010. More than 100 Tennesseans are now employed in the state's tourism industry – which includes attractions, hotels, and restaurants; but not counted in this number are the transportation companies, advertising companies (signs, newspaper ads and advertising agency campaigns) and retail stores that our visitors also support.

To further the ability of the industry to flourish and help Tennessee we support the following:

- Aggressive advertising for tourism to promote the state's largest employer
- Cap on Bed Tax that cities and counties can access at current levels
- Bed Tax is to be spent for the benefit of the tourism/hospitality industry and not as part of the General Fund

SMALL BUSINESS

Position: Establish a \$5 Million Bond Fund for Minority Businesses in Shelby County

Based on the most recent data available from the U.S. Census Bureau, there are 19,895 minority-owned firms in Shelby County, with average annual revenue of \$50,339. These overwhelmingly small companies face numerous barriers to growth, including the requirement common in many construction contracts for bonding insurance.

The Mid-South Minority Business Council Continuum (MMBC) is requesting an appropriation of \$5 million to capitalize a Bond Fund for minority businesses in Shelby County. The Bond Fund will be used to assist minority businesses with obtaining bonding insurance, as most construction projects require contractors to bond the jobs they are bidding to perform. Without the ability to bond these jobs, most minority businesses simply do not submit bids even though they may be capable of performing the work.

This Bond Fund would allow a contractor to receive up to \$500,000 in bonding for a particular project, with as many as 10 contractors utilizing the program at any one time. If the average contractor employs 10 employees per contract, a minimum of 100 jobs would be created as a result.

The Bond Fund will help stimulate the growth of minority construction contractors and create new jobs throughout the county by increasing minority participation on construction projects where they would otherwise be unable to meet the bid qualifications.

Position: Reduce the Regulatory Burden on Small Businesses By Identifying and Eliminating Unnecessary Requirements.

Small firms dominate our economy. For example, firms with 50 or fewer employees represent 96 percent of all establishments in the United States, 97 percent of all establishments in Tennessee, and 99 percent of all establishments in Shelby County. Further, national research over a period of years indicates that small firms are particularly important sources of innovation and employment growth. As a result, the states that nurture and support small businesses reap economic benefit. At the same time, however, small firms are also disproportionately burdened by regulatory requirements that often assume access to technical and financial resources that may be difficult or prohibitively expensive for them.

Governor Haslam's Administration has been actively looking to identify unnecessary regulatory burdens on Tennessee firms.

Starting with a review of the requirements for participating in public contracts, the State should work to insure that Tennessee is inviting and supportive of small firms, without compromising important regulatory goals.

One example, in Tennessee T.C.A. § 4-15-102 requires State, county and municipal contracts valued at \$100,000 or more have a 25 percent performance bond. In addition, T.C.A. § 12-4-201 requires that no contract be let for any public work by city, county or State authority until the contractor has executed a performance bond for 25 percent of the contract price if the contract is in excess of \$100K. Tennessee does not require performance bonds on private projects.

The performance bond is the successor to the bid bond if the contractor was deemed low bidder and it guarantees that the contractor will complete the contract in accordance with the terms, conditions and specifications of the contract.

On non-construction related contracts for services such as information technology (IT), landscaping and printer services, etc., this requirement hinders the minority contractor's ability to compete for contract opportunities. On a \$500,000 project the contractor would have to post a bond of \$125,000 to get the job. Small minority-owned firms may be unable to secure these performance bonds, and the additional up-front cost both increases their need for internal or external working capital (which may not be available) and diminishes their profit from the contract. Therefore, the Memphis Fast Forward Steering Committee is requesting this requirement for non-construction projects be examined and eliminated or reduced if possible.

OTHER ECONOMIC DEVELOPMENT ISSUES

Public Records Amendment

Tennessee Common Acts (T.C.A.) § 4-3-730 provides that records of the Tennessee Department of Economic and Community Development are public records, open for inspection, unless the Commissioner, with the agreement of the Attorney General, determines that the records should not be disclosed because of their sensitive nature. The statute permits sensitive information to be held in confidence for a period of five (5) years and permits proprietary information – defined as trade secrets, capital plans and marketing information – of economic development projects to be held in confidence indefinitely.

The Chamber proposes development of legislation that would generally follow T.C.A. § 4-3-730 and make comparable provisions applicable to counties, municipalities and development entities which operate as the functional equivalent of a county or municipality for economic development purposes. The proposed legislation would create an exception to the Open Records Act for information related to specific economic development projects but would require public disclosure of any proposed contracts and any relationship between the economic development prospect and any officer, employee, director or elected official of the county, municipal or development entity.

Position: Support Policies and Procedures at the Tennessee Consolidated Retirement System That Encourage Investment in Smaller, Preferably TN-Based, Private Equity Firms

Equity investments are critical to the growth of start-up and early-stage companies, where cash is needed to fund innovation and sales, not pay debt service. As a result, States that have a strong network of venture and angel capital investors both support and attract more high-growth companies and entrepreneurs. Tennessee's program to use its Consolidated Retirement System to capitalize venture capital firms is a wise use of state resources, but the implementation favors larger out-of-state firms less likely to invest in Tennessee.

In 2008 the State Legislature allowed the Consolidated Retirement System to invest up to 5 percent of its assets, then approximately \$30 billion, in qualified private equity firms. The initial plan called for investing 3 percent (\$900 million). A single investment manager was hired in early 2009. As of June 30, 2010 the investment in private equity firms totaled \$26.6 million, or 0.094% of the Fund's \$28.3 billion in total investments, and 0.093% of the \$28.6 billion total assets.

While disappointing in magnitude, Tennessee-based private equity firms contend they are disadvantaged in competing for the funds that are invested. The rationale is:

- The Retirement Fund has a fiduciary responsibility to seek the highest return with the least risk. That precludes targeting Tennessee firms.
- With limited staff to conduct due diligence and other associated duties, the Fund makes a few, relatively large (typically \$25 million), investments in established private equity "mega funds."
- Tennessee's venture capital industry is primarily comprised of smaller firms.

As a result, few investments occur in-state. Smaller investments in qualified private equity firms could garner the same rate of return with comparable risk, but would require the TCRS adopt policies and staffing that encourage and allow smaller investments.

Position: Expand Incentives to Keep Tennessee Competitive in Attracting New Film and Television Work and Sound Recordings

Film/television production brings millions of dollars to Tennessee annually, while the recording industry is a major contributor to both Nashville and Memphis. To compete with other States offering aggressive financial incentives to attract film work:

1. Amend SB354/HB55 to create transferable tax credits to recruit film, television, digital, sound recording and visual post production projects. Amendment authorizes a total of ten million dollars (\$10,000,000) of transferable tax credit per year for four (4) years. Sound recording projects spending a minimum of \$50,000 in Tennessee will receive a fifty percent (50%) transferable tax credit on qualified expenses. All other projects will receive tax credits equal to twenty percent (20%) of their qualified expenses, with minimum in-state spending of \$500,000 for studio film and television projects; \$75,000 for independent films, digital, music videos and commercials; and \$50,000 for visual post production.
2. Amend The Visual Content Act of 2006 to include a recurring two-million dollar (\$2,000,000) annual appropriation to the fund, to be used solely at the discretion of the Tennessee Department of Economic and Community Development to recruit priority film, television, digital and visual post production projects. These funds could be coupled with the transferable tax credits to recruit projects to Tennessee.
3. Amend TCA Section 67-4-2109 to allow certified headquartered production companies to receive a refund of ten percent (10%) on film, television or digital projects which incur qualified expenses of seventy-five thousand dollars (\$75,000) to one million dollars (\$1,000,000). Projects incurring qualified expenses exceeding one million dollars (\$1,000,000) will receive a refund of fifteen percent (15%).

Tax Increment Financing

Position: We request that the state maintain the current flexibility for local governments to use TIF as a redevelopment and economic development tool under the current legislation.

Background

The State of Tennessee has several mechanisms to implement Tax Increment Financing to facilitate various projects throughout the state. Certain communities have used TIF extensively as the incentive of choice to carry out these plans including downtown and neighborhood redevelopment. The authority also extends to industrial developments and the TIF tool can be used to promote economic development and job creation as well.

There is currently a debate at the state level about potentially: 1) restricting TIF incentives to only public infrastructure; 2) specifying the additional proportion of funds that are reserved to

administration or education; 3) state reporting requirements, and; 4) other provisions that could erode the effectiveness and desirability of using TIF as a tool for new development.

Rationale

The funds involved are only local property taxes and there are no state funds affected by the TIF legislation. The local governments vary widely as to their development strategies and how they develop and redevelop the neighborhoods and promote economic development. Flexibility allows the governments to use the tool in combination with other strategies. These TIF districts and plans must all be approved by local governments or state sanctioned entities granted the power to establish TIFs in the state. There is currently ample oversight to protect the local tax base.

Elvis Presley Boulevard

We request that the funding of \$27 million for the state portion of the Elvis Presley Boulevard Improvement Project be maintained in the state budget priorities and that the project would be expedited through the design and construction process to ensure a timely completion.

We also request that the state support other economic development opportunities in these target sectors as they arise over the next twelve to twenty four months.

Background

The Whitehaven Area is the focus of most of the target industries for our Memphis Economic Development Strategy: Logistics, Bio-devices, and Tourism. Elvis Presley Boulevard is one of the major gateways to all of these key assets. The current quality of this corridor is not conducive to the additional growth and expansion that is being promoted. The local government has worked with TDOT on redesign alternatives and the State has committed to \$27 million for the improvement project. The City is also deliberating additional funding for the project.

Rationale

The largest concentration of bio-device manufacturing is located in this corridor. Graceland is one of the largest tourist attractions in the state and generates millions in local spending and tax revenues. The logistics sector driven by the Memphis International Airport and FedEx is a major source of employment, payroll, and tax revenues. Some of the strongest neighborhoods in the City are located in Whitehaven Area. The major gateway from Interstate 240 to Shelby Drive is currently a detriment to additional growth and private capital investment. This also affects the quality of the residential environment in this vital area.