



## **Outside the Region: Townhouse Management Co. proposes 500+ room convention center hotel complex in Memphis**

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Memphis, TN Townhouse Management Co. (THM) has proposed plans to develop a new 500+ room convention center hotel complex at an estimated cost of \$230-million. The downtown complex will also include a 1,100 car garage, pool and multiple multi-use spaces at THM's contiguous, two-acre development site which contains the 100 North Main (NM) building.

In addition, THM will build a new eight story annex to 100 NM on the contiguous development site, which goes from North Main to Second St. between Adams and Jefferson Aves. and is known collectively with 100 NM as 80-100 NM. The new structure will combine the base of 100 NM and 80 NM into a single structure on nearly two acres. The complex at 80-100 NM will also include 63,000 s/f of retail and food and beverage space and a 15,000 s/f lobby off of Adams St. There will be 90,000 s/f of flexible commercial/retail/medical and 55,000 s/f of meeting space and ballrooms.

Since acquiring the property in 2018, THM has proposed plans to re-skin and slim down the building to reduce the 100 NM building footprint from 86 ft. x 182 ft. to 63 ft. X182 ft., thereby resulting in a more efficient hotel floor plan.

"We are excited about our plan which will accomplish several major objectives for the city of Memphis," said Arlene Maidman, executive chair of THM "First, the hotel will open in proximity to and concurrent with the opening of the newly renovated Memphis convention center. Secondly, the proposal eliminates two acres of urban blight from North Main to Second St. between Adams and Jefferson Aves. which has been an major issue for Downtown Memphis for years, and thirdly, the plan does all of this with fewer financial incentives and greater efficiency than any alternative proposal submitted to Memphis for a convention center hotel."

THM's current proposal was submitted following the termination of a letter of intent and six months of discussion beginning last May that THM had with the city and Loews Hotels Holding Corp., whom THM had originally introduced as a potential operator for the new convention center hotel.

While the earlier discussions included proposals to locate the new convention center hotel at City Hall Plaza Park, "Loews previously advised THM that it would not proceed with a hotel in Memphis if it could not reach a business deal with THM to redevelop 80-100 NM," Maidman said.

THM's estimated cost of the \$230-million project is similar to the cost of a proposed new hotel that has been discussed at City Hall Plaza Park, said Maidman but THM's proposal at 80-100 North

Main would include several extra amenities such as the parking garage and 100,000 s/f of commercial space.

THM has submitted specific budgets to the city for this project which can be completed in over a year's less time than a new hotel at the City Hall Plaza Park site, Maidman said. "More importantly, THM's convention center hotel development requires tens of millions of dollars less in local and state subsidies than the city previously offered with respect to the City Hall Plaza Park site, effectively saving taxpayers both time and millions of dollars," Maidman said. "Combined with the fact that we own the land at 80-100 NM, THM will make this project even more cost effective and valuable for the people and city of Memphis."

"Some of these savings can now be available to beautify and save the City Hall Plaza Park from future development while preserving urban open space for the residents and visitors of Memphis to enjoy," she said.

THM recently awarded a contract for geotechnical and environmental borings and engineering and a seismic study on the 80 NM site. The firm continues to engage in discussions with potential partners to finalize the balance of its development team and select a hotel operator.

"We look forward to continuing to invest in Memphis and are in communications with multiple established hotel operators to make the best possible deal for the city of Memphis," said Maidman.

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