

SHELBY COUNTY

JUSTICE CENTER



CUSHMAN &
WAKEFIELD



COMMERCIAL
ADVISORS



PROPOSED FACILITY

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REACTIVATE



REIMAGINE

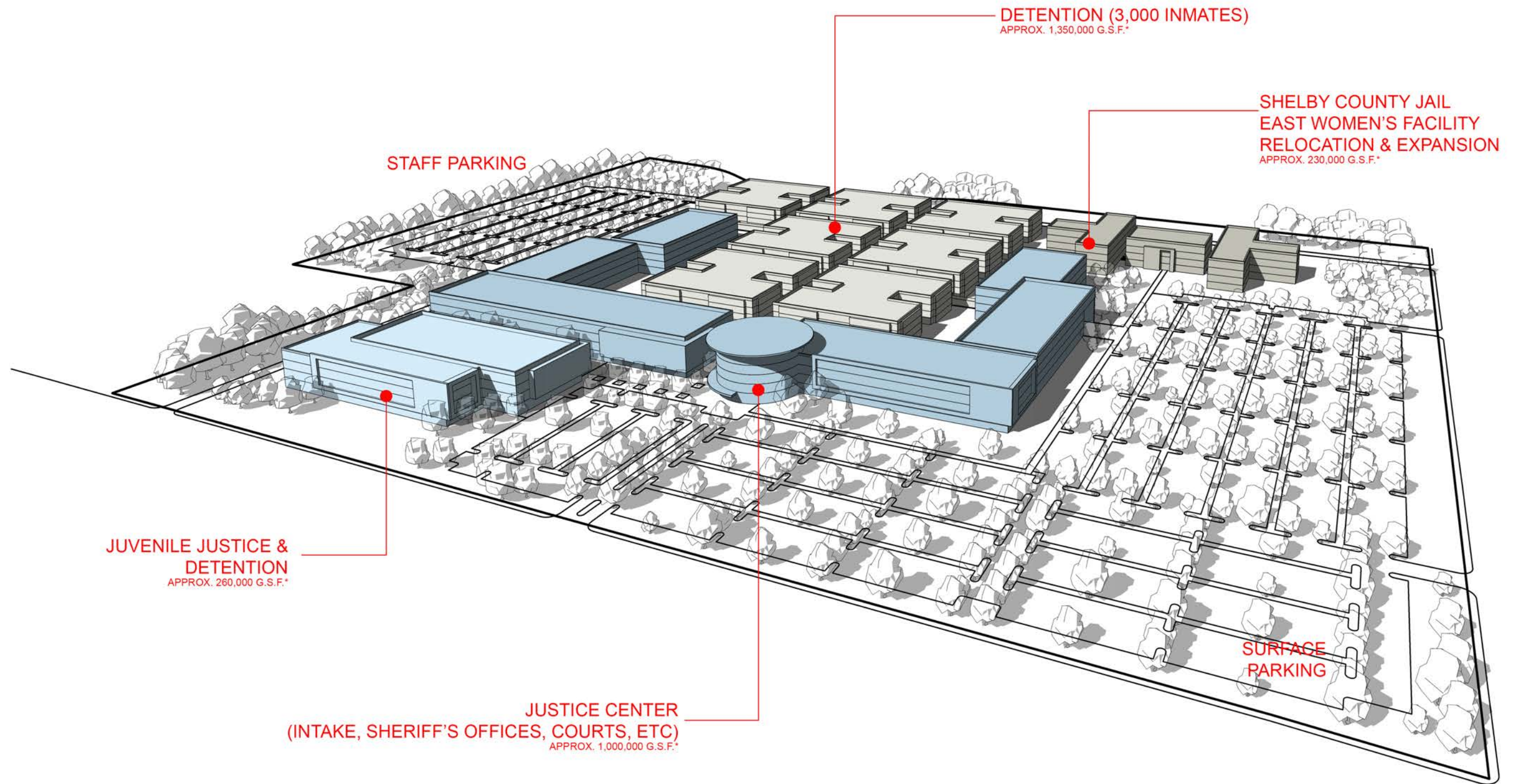
REACTIVATE 71 ACRES IN NORTH MEMPHIS TRANSFORM 8 ACRES IN DOWNTOWN MEMPHIS

- Reactivate a property and neighborhood in need of investment
 - Opportunity for community redevelopment – County jail, court rooms, mental health facility, etc
 - +/-71 Acres at Firestone Ave and Morehead St
 - Immediate access to I-40 and Downtown Memphis
 - In Opportunity Zone with New Markets Tax Credits available plus additional tax credits for solar
 - Zoning - I-H, Industrial - Heavy
 - Public-Private partnership - ready to build and leaseback for 10 years with option to purchase
 - 3 miles & 6 minutes from current jail at 201 Poplar
- Frees up +/- 8.1 acres at current jail location for higher-use redevelopment and increased tax revenue
 - Provides for the relocation of jail east and the other detention facilities away from Shelby Farms, so that land can be freed for a better use more conducive to an urban park
 - Large site allows for low rise project saving taxpayer money
 - Ample surface parking
 - Future expansion potential for other Justice Center Components
 - Rebrand the “201 Poplar” negativity into a new Justice Center

PROXIMITY



PROPOSED RENDERING



SHELBY COUNTY JUSTICE CENTER RELOCATION
SITE STUDY
19. SEPT. 2024

*ALL SQUARE FOOTAGES ARE AN APPROXIMATION OF ACTUAL PROGRAM NEEDS AND ARE FOR CONCEPTUAL RENDERING AND MARKETING PURPOSES ONLY

SHELBY COUNTY

TRANSFORMATIONAL OPPORTUNITY

DEAL POINTS FOR DEVELOPMENT

- The 71-acre property is located in an Opportunity Zone.
- The benefits offered to the owner of property in an Opportunity Zone include obtaining New Market Tax Credits [NMTCs] for the property's redevelopment.
- NMTCs can be sold to provide an outside source of capital that provides savings to the government.
- The NMTCs can provide as much as 15% of the TOTAL COSTS of the project. For example: Total Development Costs = \$700,000,000 then NMTCs could be as high as \$105,000,000.
- Under the Inflation Reduction Act [IRA], investments made in the new development of carbon reduction assets qualify for Investment Tax Credits [ITC]. The new Justice Center can have solar panels on the roof, batteries for the backup systems and charging stations for electric vehicles - these expenditures qualify for the ITC which can be sold by the County Government to obtain additional capital for the new development.
- The standard ITC is 30% of the qualifying costs. However, the amount of ITC increases by additions of 10% for being in a low income area and 10% for being in a designated Brownfield - so ITC can provide a 50% capital contribution for all costs associated with energy related equipment and its installation.
- Should the Government decide to work with a Public/Private Partnership and enter into a long term capital lease then the NMTCs and ITCs can be passed through to the Government in a reduced rental rate as well as having the Government having a much smaller up front capital investment.
- Under the long term lease the Government would have options to purchase and the option prices would reflect a discount for part of the capital reduction from the lease payments.
- A recent example of a similar Public/Private Partnership is found in the Wayne County Criminal Justice Center, Detroit Michigan - 2500 bed jail and 27 courts which included the Juvenile Court and detention. The cost of this facility was close to \$700,000,000 - the facility opened in September 2024. Through this Public/Private Partnership Wayne County was able to reduce their initial capital outlay to around \$350,000,000.
- Another similar project in Nashville has just begun construction on the new Juvenile Justice Center A/K/A - Nashville's Youth Campus for Empowerment which is located on 14 acres of land. Davidson County began the process in late 2016. They finished a master plan for this facility in approximately 6 months at a cost of \$1,000,000. The master plan projected a 286,869 BGSF complex without an estimated cost of approximately \$130,160,820 in 2017 dollars - no consideration was given to land acquisition or predevelopment land costs. The final cost that Nashville has funded is in excess of \$271,000,000.
- Judge Sugarmon has expressed his belief that the Nashville Juvenile Justice Center is what Memphis needs and believes it should be on a campus environment located on the proposed location of our Justice Center.
- We believe that our land location coupled with the tax incentives and a Public/Private Partnership can allow Shelby County to afford this new Justice Center NOW.

THANK YOU



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