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## **On One Beale Project, Strickland Says Memphis 'Cannot Be An ATM For Developers'**

Memphis Mayor Jim Strickland did not take kindly to developer Chance Carlisle blaming the city for the Grand Hyatt at One Beale's \$5 million funding shortfall.

"City government cannot be an ATM for developers. And if it's \$5 million short, he needs to come up with that \$5 million," Strickland said Thursday at a groundbreaking for the new Frayser Branch Library.

Strickland's comments come after Carlisle, the principal developer of One Beale, first told The Commercial Appeal Wednesday that plans for a 300-plus room Grand Hyatt at the development were dead because of a \$5 million funding shortfall.

On Wednesday, Carlisle blamed an October delay from the city for the project's municipal bonds not pricing high enough in an erratic bond marketplace. He said the city's need to bring the project back before the Memphis City Council on Oct. 18 caused the bonds to fetch several million dollars less than they would have weeks earlier.

Last week, Carlisle asked the city, which had already agreed to give the project a \$10 million loan, for a further \$5 million. Strickland responded Wednesday and said the city would not be contributing further cash. The mayor, for his part, put the blame for the project's delay on Carlisle Thursday.

"We dropped everything in March of this year, drove up to Nashville, cleared our schedule while the developer was on spring break in Colorado. We were meeting with state officials to try to approve this deal, got approval in early April by City Council and they did nothing, nothing for almost three months," Strickland said. "That's the delay and delay cost the deal. The delay is 100% the responsibility of that developer who was on spring break when we were trying to get the deal done."

Carlisle said Thursday that he did not go to Colorado for spring break.

The comments from Strickland and response from Carlisle Thursday likely further escalated the public kerfuffle between the city's most powerful politician and a member of one of the city's most prominent families. Chance Carlisle's brother, Chase, is a member of the City Council.

The back-and-forth between Strickland and Chance Carlisle illustrates bad blood brewed by more than a year of negotiations between Carlisle and the city administration, a feud that has long simmered and now, with the deal apparently dead, is spilling over into public view.

"I hear Colorado is wonderful. I haven't been in over 10 years. I am not surprised Mayor Strickland is attacking me personally or getting the facts wrong. He has nothing else. His administration is covering up and misleading the public," Carlisle said. "Today, I sent the Mayor the following letter reminding the Mayor that his team had not approved the Development Agreement in May 2022. We were ready. These emails prove it. Like in May, the Administration caused delays that prevented us

from moving forward.”

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by Samuel Hardiman

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