**Administration’s Recommendation for Contract Approval:**
It is recommended that the Shelby County Board of Education approve a one-year exclusive option to purchase agreement with the Memphis Housing Authority (MHA) for the former MLK Transitional Center at 620 S. Lauderdale, 38126.

**Purpose:**
The purpose of this recommendation is to allow MHA one year to explore redevelopment plans for 620 S. Lauderdale which is in the developing South City neighborhood.

**Discussion/Background:**
- In 2015 the City of Memphis received a $30 million Choice Neighborhoods to redevelop Foote Homes and the surrounding area, now referred to as South City. Total project cost is $209 million.
- Foote Homes residents were relocated in 2016, and the apartments were demolished.
- Construction has begun on the over 700 mixed-income units of housing that will replace Foot Homes.
- Phase I (114 units) will be complete in fall of 2019, with all housing phases complete by 2021.
- The South City project also includes initiatives focused on health, employment, early childhood education, public art, and other people and neighborhood focused programs.
- SCS and MHA had a two-year exclusive option to purchase agreement for the MLK Center and Georgia Avenue Elementary that expired at the end of March 2019.
- The City is seeking additional time to finish designing plans for the redevelopment of MLK.

**Expected Outcomes:**
- The City will finalize their exploration and designing development options, find tenants, buy the property, and redevelop it as part of the larger South City project.

**Other Considerations:**
- 620 S Lauderdale is one of three vacant SCS properties in the South City area. Vance Middle and Georgia Avenue are both in the neighborhood. The Board has approved demolition of Vance.

**Alternatives:**
- Don’t approve the option agreement and try to sell the property.

**Conclusion:**
It is recommended that the Shelby County Board of Education approve a one-year exclusive option to purchase agreement with the Memphis Housing Authority (MHA) for the former MLK Transitional Center at 620 S. Lauderdale, 38126.

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