



September 1, 2020

Katie Flynn
Development Project Manager
Downtown Memphis Commission
flynn@downtownmemphis.com
P: (901) 575-0561

Dear Ms. Katie Flynn,

RE: 2 N Main Exterior Improvements Grant Request

Drapac Capital Partners has partnered with local architecture firm PKM to revamp the existing Walgreens store located on the north-east corner of Main St and Madison Ave (2 N Main Street, Memphis, TN 38103). Walgreens has been a staple in this location for over 66 years, and as their lease term is coming to an end, they have been considering closing the store, and abandoning Downtown Memphis. Walgreens' business has changed over the decades, and they prefer a smaller footprint, and typically require substantial onsite parking and drive-thru facilities. Drapac has been working diligently with Walgreens to convince them to stay and commit to a long-term lease. In order to do so, Drapac has proposed major exterior renovations that will elevate this building to a flagship store for Walgreens, and drastically enhance the entire Main Street Mall area with improvements that have not been seen since its original iconic delivery in the 60's. These proposed improvements have been a huge contributor and catalyst to the negotiations with Walgreens to sign a long-term commitment to the space and has ultimately led to the success of agreed upon terms. However, the ball is now in our court to figure out how we can fund the \$400,000 tenant improvement allowance Walgreens require for their internal fit out, plus the \$331,970 for the external building works. The biggest contributor to moving forward with the external works and added interior expense will be the \$100,000 grant we are requesting.

The proposed improvements include:

- Masonry and tuck point repairs
- Painting of exterior brick and stone pilasters on both levels to blend masonries
- New steel wrap panel between floors
- New and additional horizontal and vertical Walgreens signage
- New recessed storefront, canopy and lighting at Walgreens Storefront

US - CORPORATE HEADQUARTERS

1031 Marietta Street NW,
Suite A, Atlanta, GA 30318
T + 1 (404) 480 4900
E contact@drapacgroup.com

AUSTRALIA

Suite 2, Level 3, 200 Lygon Street,
Carlton, VIC 3053
T + 61 3 9321 2500
E contact@drapacgroup.com

- New front, canopy and exterior lighting at both 2nd floor entrances on Main St and Madison Ave
- Architectural lighting between windows on Main St and Madison Ave
- New larger floor to ceiling windows on first level
- New windows on second level

Drapac will also be working with Walgreens on their major interior improvements of \$400,000 to open the floor's layout, storefront and windows, and show a clean modern look that flows seamlessly from the exterior to the interior. These internal works to the ground floor and basement will be very extensive, with the cost and scope exceeding the external improvement works.

In addition, Drapac has teamed up with CBRE's local team to market the second floor as open plan office space, shared office space, and/or as a residential multi-family use. With the property's current dilapidated condition, it has been extremely challenging to secure a tenant on the second floor through the current ongoing marketing campaign. The exterior improvements will create a very desirable location and building for a future multi-family or office location.

We are excited to have the opportunity to partner with the Downtown Memphis Commission in order to bring this project and area to life!

Sincerely,



Max Cookes

Manager

Enclosures:

Appendix I: EIG Application

Exhibit A: Existing & Original Photos

Exhibit B: Rendering of Proposed Improvements


Exhibit C: Sources & Uses

cc: Ms. Katie Flaim
Mr. Brett Roler

APPENDIX I: EIG APPLICATION

Date of Application:	
Building/Property Address:	
Applicant's Name:	
Name of the Business:	
Ownership Status:	<input type="checkbox"/> I own the property <input type="checkbox"/> I am purchasing the property <input type="checkbox"/> I will lease the property <input type="checkbox"/> Other _____
Primary Project Contact:	Name:
	Phone: Email:
	Mailing Address:
Describe the existing condition of the property.	
Describe the proposed future use of the property.	
What exterior improvements do you plan to make to the property?	
Architect (if applicable)	Name: Phone: Company:
Total Project Budget:	
Total Grant Requested:	
Property Owner: (If not the applicant)	Name:
	Phone: Email:
	Mailing Address:

<p>Disclaimer:</p>	<p>The CCDC, DMC, and its affiliates are not responsible for business consulting, planning, design, or construction of improvements to property that is owned by the applicant or any other entity. No warranties or guarantees are expressed or implied by the description of, application for, or participation in the Exterior Improvement Grant. The applicant is advised to consult with licensed architects, engineers, and/or building contractors before proceeding with final plans or construction.</p>
<p>Legal Disclosure:</p>	<p><i>Disclose in writing whether any applicant, guarantor, or any other person involved with the project is currently engaged in any civil or criminal proceeding or ever filed for bankruptcy. Also, disclose whether any individual involved with the project has ever been charged or convicted of any felony or currently is under indictment:</i></p>
<p>Board Relationship Disclosure:</p>	<p><i>Disclose in writing whether the applicant or any guarantor has any previous or ongoing relationship with any Board member or legal counsel of the Board.</i></p>
<p>Applicant's Certification:</p>	<p>This application is made in order to induce the CCDC to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show best faith efforts with regard to the employment of minority and/or women contractors and subcontractors in the project development. The applicant specifically</p>

	agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted or project completed.  _____ Signature: _____ Date: _____
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Application Attachments

In addition to this completed and signed application, include the following attachments when you submit your grant request:

- **Required Drawings and Exhibits**
Work with CCDC staff to determine which of the following application materials are necessary for your specific project:
 - Architectural drawings, including dimensions and materials listed
 - Rendering or sketch of proposed improvements
 - Current photo(s) of the subject property
 - Color and material samples for paint, awning, signs, etc.
 - Sign plans, including dimensions/measurements and materials listed
 - Other information and drawings as deemed necessary by staff
- **Estimated Costs & Bids**
 - Complete Sources and Uses Statement (Attachment B)
 - If requested by DMC staff, provide copies of vendor bids / estimates
- **Project Timeline**
List estimated dates to begin and finish construction
- **References**
List three credit references.

Exhibit "A"
Existing Photos



**Exhibit "A" Continued
Existing Photos**



Exhibit "A" Continued
Original Photos



Main Street & Madison Avenue - circa 1954



Main Street & Madison Avenue - circa 1959

Exhibit "B"
Proposed Improvements





Exhibit "C"
Sources & Uses

Sources:	Amount
CCDC EIG - 30%	\$100,000
Owner's match - 70%	\$231,970
Total Sources	\$331,970
Uses:	Cost
Exterior works include: -Masonry and tuck point repairs -Painting of exterior brick and stone pilasters on both levels to blend masonries -New steel wrap panel between floors -New and additional horizontal and vertical Walgreens signage -New recessed storefront, canopy and lighting at Walgreens Storefront -New front, canopy and exterior lighting at both 2 nd floor entrances -Architectural lighting between windows on Main and Madison -New larger floor to ceiling windows on first level -New windows on second level	\$331,970
General Conditions	\$17,104
Demolition	\$7,600
Masonry / Tuck-pointing	\$10,500
Exterior Paint and Finishes	\$21,280
Concrete	\$3,050
Exterior Architectural Lighting & Electrical	\$21,350
Millwork & Casework	\$5,000
Steel Wrap Panel	\$54,400
Glass & Glazing	\$72,364
Signage	\$58,760
Contractor Fee	\$18,271
Permitting and Design Fees	\$12,112
Contingency 10%	\$30,179
Total Uses:	\$331,970



Project Timeline:

Start date: November 1, 2020

Exterior completion date*: February 1, 2021

**Estimate timeline based on permitting timeframe.*

Sincerely,

A handwritten signature in black ink, appearing to read "Max Cookes". The signature is fluid and cursive.

Max Cookes

Manager