

# Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)  
From: DMC Staff  
Date: October 20<sup>th</sup>, 2021  
RE: Exterior Improvement Grant (EIG) Application – 307 Madison Ave.

---

The enclosed Exterior Improvement Grant has been submitted for consideration at the October 27th, 2021, CCDC Board of Directors Meeting.

**Project:** 307 Madison Ave. (Service Master by Stratos)

---

Applicant: Stacy McCall, Service Master by Stratos CEO & President  
307 Madison Ave.  
Memphis, TN 38103

Applicant's Request: Exterior Improvement Grant in an amount up to \$60,000.

Project Description: The subject property is a 2-story commercial building on the south side of Madison Avenue, in the block between Fourth Street and Danny Thomas Blvd. The structure, built in 1924, was purchased by the applicant earlier this year, as their commitment to investing in Downtown. The building has most recently been used by Junior Achievement of Memphis.

The property owner has operated downtown since 2009, previously leasing space at 66 N. Main St. She is a resident of Downtown and has been looking for the right opportunity to invest in the fabric of Downtown. This female-owned and operated business is ready for a space where her over 360 employees can enjoy a community-based atmosphere along with additional employee resources located within the building.

The interior renovations to remove the “interior town square” and repair long-term deferred maintenance is underway. Separate from this application, the applicant is spending over \$250,000 on the interior space to provide training, operations, storage, and offices. The exterior renovations include select re-grouting of the historic terra cotta façade, masonry cleaning, tuck-pointing of the brick, window and door trim caulking, and paint. New LED puck

lighting will be installed to the main building, and period-style bronze gooseneck lighting will be installed along the auxiliary building's façade. Extensive landscaping along Madison Ave. and into the parking lot is planned to be completed at a later date.

The DMC's Design Review Board (DRB) will review the project following CCDC approval.

EIG Budget:

The Exterior Improvement Grant (EIG) is designed to help Downtown commercial property owners and businesses make high-quality exterior improvements. A secondary goal of the grant is to help new and existing businesses succeed by enhancing their curb appeal in ways that might not be possible without assistance. The Exterior Improvement Grant is for exterior work only and requires minimum leverage of 1 to 1. The maximum grant for this location is \$60,000.

**Sources:**

DMC / CCDC EIG Grant	\$ 60,000	35%
Owner's Contribution	\$113,300	65%
<b>Total</b>	<b>\$173,300</b>	<b>100%</b>

**Eligible EIG Uses:**

Concrete	\$ 2,200	1%
Masonry	\$ 108,000	62%
Wood & Plastics	\$ 6,000	3%
Windows & Doors	\$ 8,500	5%
Finishes & Paint	\$ 12,800	7%
Signage	\$ 8,000	5%
Electrical	\$ 11,800	7%
General Requirements	\$ 16,000	9%
<b>Total</b>	<b>\$173,300</b>	<b>100%</b>

EBO Program:

Any project that is awarded financial incentives from the Downtown Memphis Commission (DMC) shall include a best faith effort to reach no less than 25% participation by minority and/or women owned businesses (MWBE's) in the project's development cost (design and construction hard costs). Compliance with this Equal Business Opportunity (EBO) Program is a closing requirement. **If the requirements of the EBO Program are not met, CCDC will cancel the incentive.**

Outreach & Inclusion Plan:

The specific steps required for each applicant to be compliant with the DMC's EBO Program takes into consideration the size, scope of work, and development

costs associated with the project. The applicant has a clear understanding of the EBO Program and has worked with DMC staff to identify the following key steps that will be included in their Outreach & Inclusion Plan:

- The applicant will use the City of Memphis Business Diversity & Compliance Registry and the resources at the Shelby County Office of Equal Opportunity Compliance to identify qualified vendors and tradespeople to perform the needed work.
- The applicant will strive to identify and contact 3 certified MWBE businesses for each trade or type of subcontractor needed, if available, and provide each a fair opportunity to submit a bid and be considered for the work.
- Once the available service providers have been identified, the applicant will submit the form titled “Proposed Utilization Plan” to DMC staff for review and approval. The applicant will also be asked to provide a full record of the outreach steps taken and the results thus far. This documentation can include items such as a phone call log, copies of emails, meeting notes, and similar materials.
- After construction has started, the applicant will provide monthly updates to DMC staff detailing the project status and level of MWBE involvement at each major phase of the project.

Minimum MWBE Goal: Based on the total budget, a 25% level of MWBE inclusion is approximately \$43,325.

Staff Evaluation: Staff recommends approval of an Exterior Improvement Grant for 307 Madison Ave. The project joins other on-going renovation projects bringing activity to this block, including Craft Axe Throwing and 345 Madison’s recently approved EIG.

The applicant, a Downtown resident, had been looking for the right opportunity to make a direct ownership commitment Downtown. 307 Madison is a beautiful, historic structure in

much need of repair to maintain its future use. Assisting a local female-owned business in making a long-term commitment Downtown is the type of application the EIG program was designed for. The proposed improvements bring additional security and vibrancy to a high-traffic corridor downtown.

**Staff Recommendation:** **Staff recommends approval of an Exterior Improvement Grant (EIG) in an amount up to \$60,000 based on approved receipts and subject to all standard closing requirements.**