

Center City Development Corporation

Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: 9/8/2023
RE: Good Neighbor Grant Request – 340 E Georgia Ave. (Multifamily Residential)

The Good Neighbor Grant application has been submitted for consideration at the September 13, 2023 CCDC Board Meeting.

Project: **340 E Georgia (Multifamily Residential)**

Applicant: Andre Stephens
340 E Georgia Ave, #101
Memphis, TN 38126

Property Owner: GreenGlove Capital, LLC
340 E Georgia Ave #101
Memphis, TN 38126

Applicant's Request: Good Neighbor Grant in an amount up to \$25,000.

Project Description: The subject property is three (3) single-story multifamily residential buildings located on the north side of E Georgia Ave. The three buildings combined occupy approximately 6,048 square feet.

The applicant has made significant investments to the subject site since acquiring it in 2017. The applicant has successfully transformed the site from a blighted and vacant structure to a usable multifamily residence by installing new doors and windows, painting the brick façade, adding additional interior walkways and securing the property with a high-quality wrought iron fence. As the applicant nears completion on the subject site, he is looking to continue investing in the neighborhood, as he also owns several other properties in the immediate vicinity of the subject site.

The exterior scope of work will add to the previously completed work to provide additional safety and lighting and improved walkability. The items of work include the following:

- Installing an additional twenty (20) panels of wrought iron fence on the north side of the property, fronting the public alleyway.
- Demolition of existing sidewalk and pouring new sidewalk on all parcels north of E Georgia Avenue from Hernando St. to S 4th St. The applicant owns all parcels.
- Additional lighting and landscaping work throughout the subject parcel.

GNG Budget: The Good Neighbor Grant program is designed to help Downtown-adjacent businesses make high-quality exterior building improvements to improve the appearance of property and fight blight. These improvements help draw in customers by making buildings approachable, increase pedestrian activity in neighborhoods, and add vibrancy to once dilapidated property. The Grant is reimbursable and requires the applicant to provide receipts of completed work.

For this program, we partner with neighborhood organizations that provide connections, invaluable insight, and funding. For this location in the Central Business Improvement District, the funding organization is the Downtown Memphis Commission (DMC).

The following describes the estimated project budget:

<u>Sources:</u>		
Owner's Equity	\$ 10,000	(29%)
CCDC GNG	\$ 25,000	(71%)
Total Sources	\$ 35,000	(100%)
<u>Uses:</u>		
Wrought Iron Fence (20 Panels)	\$ 10,000	(29%)
Demo & Pour New Sidewalk	\$ 15,000	(43%)
Landscape & Lighting	\$ 10,000	(29%)
Total Uses	\$ 35,000	(100%)

Design Review: The applicant will submit design plans to the DRB in the coming months.

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) 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, the 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. At the time of incentive application, it is typically too early to identify specific contractors or sub-contractors that will ultimately be involved in the construction. However, 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 meet and coordinate with minority-owned business assistance organizations such as the Memphis Area Minority Contractors Association (MAMCA) and the Mid-South Minority Business Council Continuum (MMBC) to make their members aware of the project and any contracting and sub-contracting opportunities.
- 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 subcontractors and other tradespeople to perform the needed work.
- The applicant will advertise and host a pre-bid conference to allow MWBE subcontractors an opportunity to ask questions and learn more about the job opportunity. DMC staff will be invited to attend the pre-bid conference to observe.
- The applicant will contact a minimum of 3 certified MWBE businesses for each trade or type of subcontractor needed, and provide each a fair opportunity to submit a bid and be considered for the work.
- Once the 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 pre-bid conference attendance sheet.

- 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: With an estimated exterior budget of \$35,000 a 25% level of MWBE inclusion for that work is approximately **\$8,750.00.**

Staff Evaluation: DMC staff fully supports this grant application to continue the redevelopment of an existing multifamily residential structure in the South City neighborhood.

The DMC's Strategic Plan encourages facilitating and accelerating real estate development, incentivizing Downtown development when necessary to increase investment and economic development, and fighting blight to improve the visual appearance of the built environment Downtown.

Sidewalk improvements and additional exterior lighting will help to foster a safer and more inviting pedestrian environment along E Georgia Ave. High-quality fencing will maintain resident safety, while still preserving pedestrian and motorist sight lines on the buildings. Additionally, the exterior investments made to this property will encourage additional investment from nearby property owners who see investments being made within the neighborhood.

Recommendation: **Staff recommends approval of a Good Neighbor Grant in an amount up to \$25,000 based on approved receipts and subject to all standard closing requirements and conditions.**
Applicant must comply with the EBO requirement and submit for a Design Review Board (DRB) application for approval.