

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: May 12, 2021
RE: Exterior Improvement Grant Request, 413 Monroe Ave.

The enclosed Exterior Improvement Grant application has been submitted for consideration at the May 19, 2021, CCDC Board Meeting.

Project: **413 Monroe Ave.**

Applicant: Kris Shepherd
115 St. Andrews Fairway
Memphis, TN 38111

Architect: Charles Shipp
Charles Shipp Architects
4646 Poplar Ave. #244
Memphis, TN 38117

Applicant's Request: Exterior Improvement Grant in an amount up to \$80,000.

Project Description: The applicant is the owner of 413 Monroe Ave. The 6,812 sq. ft. space, located within the Edge District, was built in 1918 and is located adjacent to the renovated office for Leo Events.

The applicant is proposing exterior improvements to the façade along Monroe, the eastern facing façade, and the paved drive to the east of the building. The applicant will be renovating the second floor apartment and the interior storefront space, separate from this application. The exterior improvements will greatly impact the pedestrian experience with fresh paint, new windows, a new overhead door, a new entrance, new awnings, new exterior lighting, sidewalk repairs, and added landscaping.

EIG Budget: The Exterior Improvement Grant (EIG) is designed to help Downtown commercial property owners make high-quality improvements to the exteriors of Downtown buildings. These improvements help businesses draw customers by enhancing curb appeal, increase walkability by adding

street-level interest, and increase neighborhood property values.

The Exterior Improvement Grant is for exterior work only and requires a 1 to 1 match from the applicant. The maximum grant for this location (CBID) is \$80,000.

The following budget describes the EIG scope:

Sources:

Applicant's Equity	\$87,900	(52%)
CCDC EIG	\$80,000	(48%)
Total Sources	\$167,900	(100%)

Uses:

Façade Demo & Dumpsters	\$12,500	(7%)
New Door	\$3,500	(2%)
Masonry & Tuck-Pointing	\$20,500	(12%)
Exterior Painting	\$18,000	(11%)
Lighting & Electrical	\$36,000	(21%)
New Windows	\$31,900	(19%)
Landscaping	\$15,000	(9%)
New Garage Door	\$8,500	(5%)
New Awning	\$5,500	(3%)
Remove Stone Caps & Reseal	\$4,500	(3%)
Misc. Repairs	\$12,000	(7%)
Total Uses	\$167,900	(100%)

Design Review: The applicant will submit design plans to the DRB in June. The applicant plans to start construction in August 2021.

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 use the City of Memphis Business Diversity & Compliance Registry and the resources at the Shelby County Office of Equal Opportunity Compliance to identify qualified general contractors and tradespeople to perform the needed work.
- The applicant will contact a minimum of 3 certified MWBE general contractors and proactively invite them to submit a bid.
- Once a general contractor is identified, 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 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: With an estimated EIG budget of \$167,900, a 25% level of MWBE inclusion for that work is approximately **\$41,975.**

Staff Evaluation: The goals of the Exterior Improvement Grant are to enhance the pedestrian experience Downtown by improving the exterior appearance of buildings and commercial storefronts and to increase commercial property values Downtown.

The EDGE district is experiencing increased momentum in building renovations and commercial activity, largely due to high-volume projects such as The Walk, The Rise

Apartments, and the Ravine. It's important now more than ever that the DMC support the infill of missing gaps that prevent a cohesive pedestrian experience. 413 Monroe is a prime opportunity to further the investment in walkability within the neighborhood and in connecting the EDGE District to Downtown's Core.

Staff is supportive of this application for high-quality exterior improvements to the site. The proposed improvements to the building and landscape transform a deteriorating building into a site that brings retail space and activation to the public realm.

Recommendation:

Staff recommends approval of an Exterior Improvement Grant in an amount up to \$80,000 based on approved receipts and subject to all standard closing requirements and conditions.