

DMC BOARD MEETING

APRIL 24, 2020



**APPROVAL:
FEBRUARY 28, 2020
MINUTES**



CHAIR'S REPORT

The screenshot shows a web browser window displaying the Downtown Memphis website. The browser's address bar shows 'downtownmemphis.com'. The website's navigation menu includes 'EVENTS | NEWS | FAQ | ABOUT DOWNTOWN | PARKING' and social media icons. The main content area features a large banner with the Downtown Memphis logo and the text: 'OPEN for TAKE-OUT, PICK-UP & ONLINE ORDERS'. Below this, a sub-headline reads: 'We've made it easy to get food/merchandise from your favorite Downtown businesses during the temporary shut down!'. An orange 'LEARN MORE' button is positioned at the bottom of the banner. The Windows taskbar at the bottom shows the time as 10:08 AM on 4/23/2020.

Browser tabs: (153 unread), My Drive, Email List, April 2020, Minority, Appendices, Property, April 24, 20, Downtown

Address bar: downtownmemphis.com

Navigation: EVENTS | NEWS | FAQ | ABOUT DOWNTOWN | PARKING

Logos: VISIT DOWNTOWN MEMPHIS COMMISSION

Menu items: DOWNTOWN DIRECTORY, THINGS TO DO, GETTING AROUND, ABOUT DOWNTOWN

Logo: DOWNTOWNMEMPHIS

Banner text: **OPEN for TAKE-OUT, PICK-UP & ONLINE ORDERS**

Sub-headline: We've made it easy to get food/merchandise from your favorite Downtown businesses during the temporary shut down!

Button: LEARN MORE

Taskbar: Type here to search, 10:08 AM 4/23/2020

PRESIDENT'S REPORT



- Blue Suede Brigade: Essential
- Operating at 50% with at-home training 50%
- Trained "Courtesy Crews" for Memphis Parks





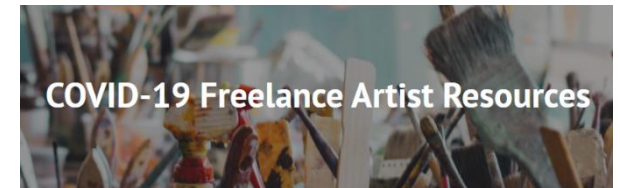
Downtown Mobility Authority

- Will recommend improved operations for Downtown parking garages at May DMA Meeting
- Partnering with MATA and MMDC on an on-demand shuttle to reduce parking pressure in high demand areas
- Collaborating with MMDC on a Transportation Management Association to improve commute and mobility options
- Demand continues for additional structured parking associated with new development and growing office population



DMC COMMUNICATION/UPDATES: WEBSITE

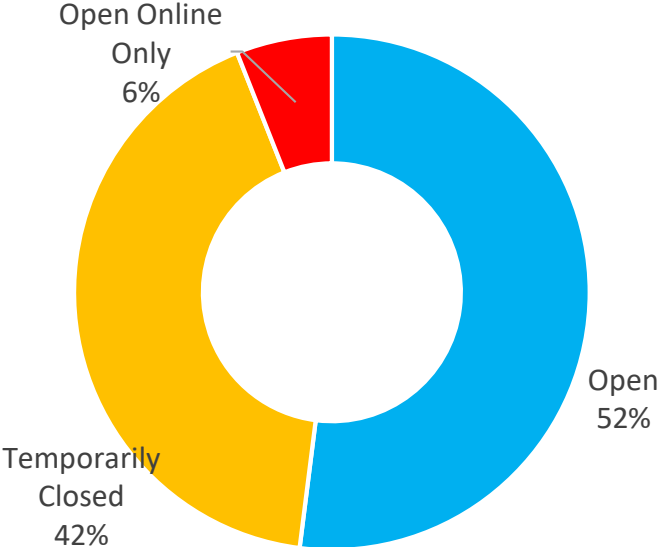
DIRECTED COMMUNICATION CHANNELS: WEBSITE (30K PAGEVIEWS SINCE 3/24)
COMMUNITY NEWSLETTER (8K+), SOCIAL (180K+), STAKEHOLDER(800),
BEALE STREET MUSICIANS (75), EVENT PROMOTERS



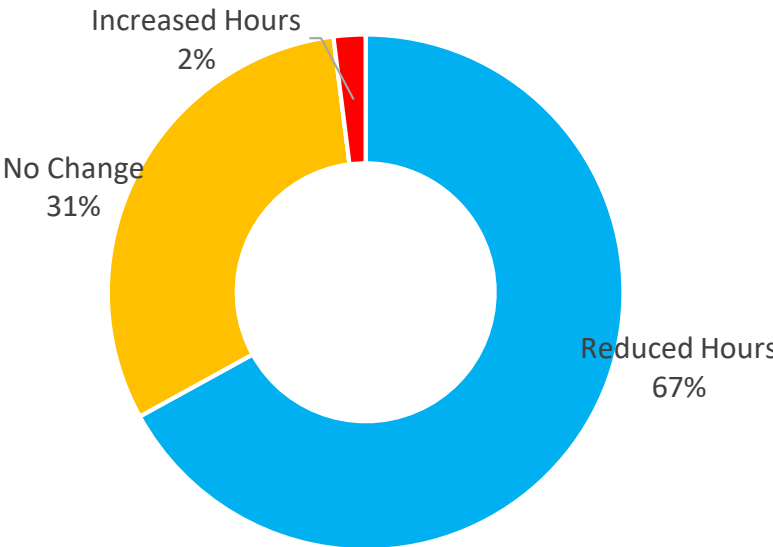
COVID UPDATES PAGE: CITY/COUNTY UPDATES, FINANCIAL ASSISTANCE & PROGRAMS,
VOLUNTEER & EDUCATIONAL OPPORTUNITIES, SURVEYS/RESULTS

DMC COVID SURVEY RESULTS: DOWNTOWN BUSINESSES

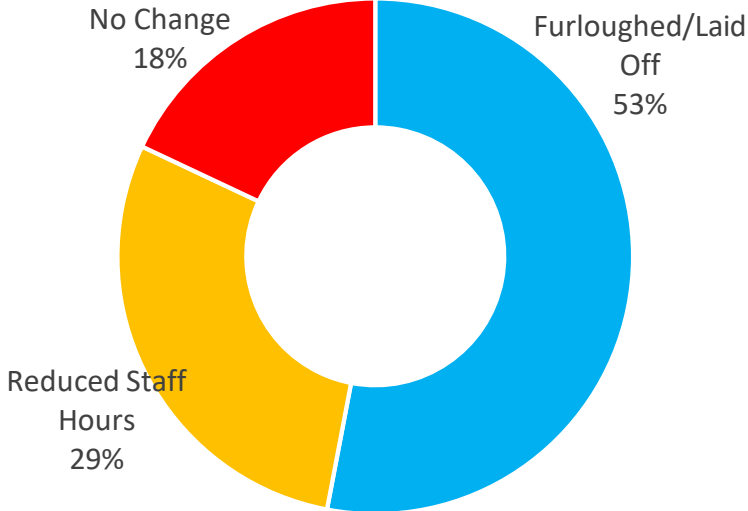
Open/Closed



Change in Hours



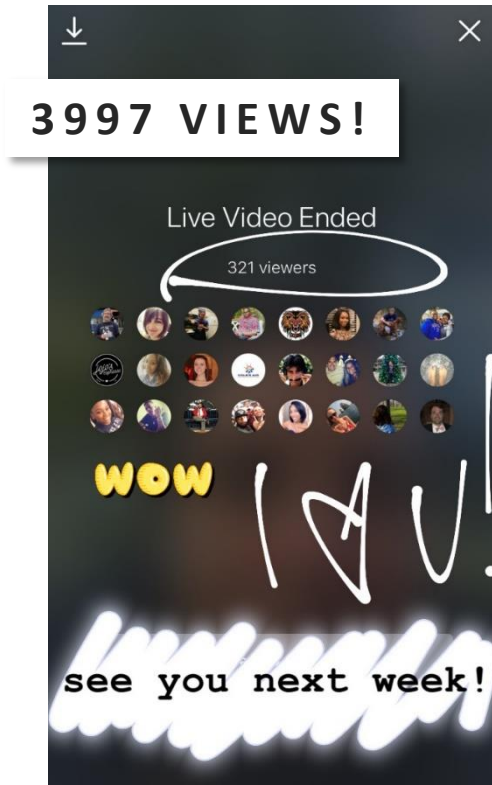
Staffing Changes



230 BUSINESSES RESPONDING – PRIMARILY RETAIL, RESTAURANT, AND SERVICE INDUSTRY



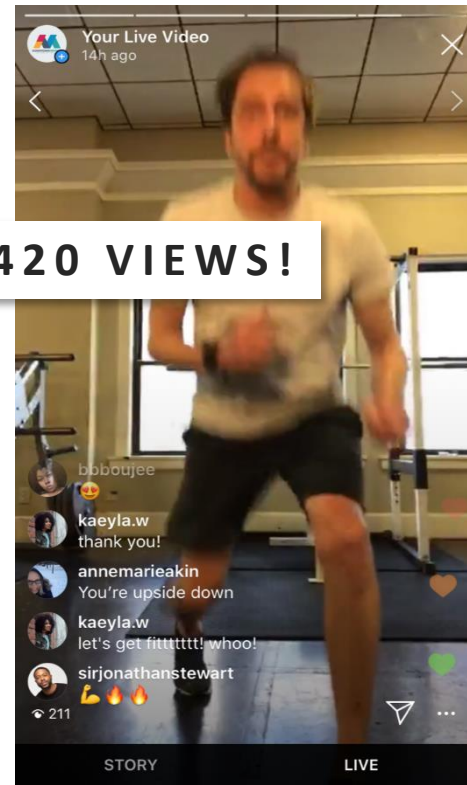
DMC HOSTED VIRTUAL EVENTS:



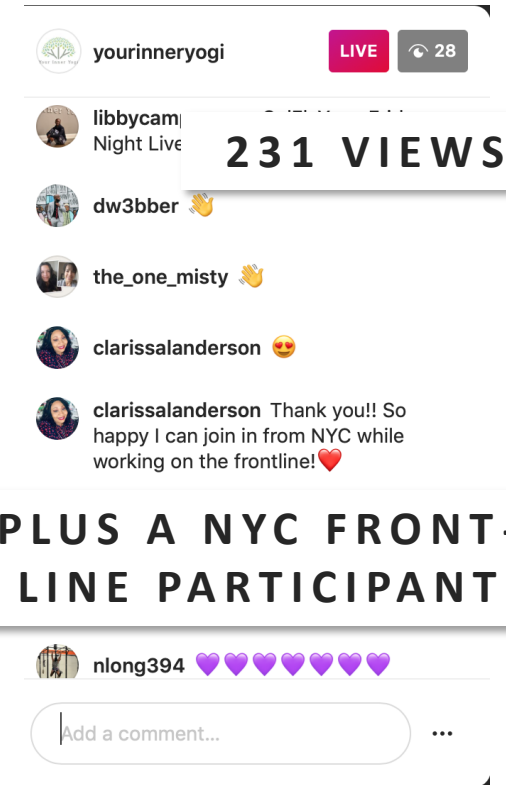
**OUR YOGA
DOWNTOWN
(OVER 3 CLASSES)**



**LUNCHTIME
CONCERTS
(OVER 4 CONCERTS)**



**CORE
ESSENTIALS
(OVER 2 CLASSES)**



**FRIDAY NIGHT
YOGA
(ONE CLASSES)**

PLUS A NYC FRONT-LINE PARTICIPANT

SPONSORED VIRTUAL & COMMUNITY EVENTS:

Memphis Magazine
April 9 at 4:56 PM · 🌐

Join us next Monday afternoon for our brand-new virtual event series "In The Kitchen," featuring local chefs and restaurateurs doing their thing!

Our first "In the Kitchen" guest chef will be Derk Meitzler of **The VAULT on GE Patterson** - and he'll be cooking up a storm and taking your questions live! Special thanks to our series supporter the **Downtown Memphis Commission** for helping make this event possible.

Save the date for Monday, April 13th, the fun starts at 2pm, join us from your laptop, phone, or tablet - and we only have limited spots, so be sure to reserve yours in advance here 🙌
<https://tinyurl.com/derkcooks>



1,358 People Reached **74** Engagements [Boost Post](#)

👍❤️ 14 9 Shares

1375 VIEWS!

MEMPHIS MAGAZINE'S
IN THE KITCHEN



72 ORDERS!

PLUS NYT COVERAGE!

Cristina McCarter picks up pastries from Primas Bakery to deliver to tour participants for her first virtual tasting tour in Memphis, Tenn., on Saturday, April 11, 2020. (Photo: Ariel Cobbert/ The Commercial Appeal)

A micro-grant from the [Downtown Memphis Commission](#) gave McCarter the funds to create the video and update her website for her new virtual tours. She said she is grateful for that support as her business is so small she does not qualify for many of the COVID-19 government programs.

Virtual tours are currently offered on Friday and Saturday nights. Orders are limited to five couples a day and the meals are delivered between 5 and 7 p.m. She currently has tours scheduled through the end of May.

CITY TASTING TOURS
SOUTH MAIN

By [WMCActionNews5.com Staff](#) | April 20, 2020 at 6:39 PM CDT - Updated April 20 at 6:42 PM

MEMPHIS, Tenn. (WMC) - Explore Bike Share is extending its free bike rental community campaign —“Let’s Ride This Out”— for 30 more days as a healthy response to COVID-19.

Close to 500 first-time riders checked out an Explore Bike Share ! **825 RIDERS!!**
month of free rides. Total miles over the 30-day period surp
177,579 calories.

“While parks are closed to vehicular traffic, parks are not closed,” said Explore Bike Share Executive Director Anton Mack. “This is an invitation to explore Memphis in an incredibly unique way. Traverse a new bike path or route among our hundreds of miles of bike infrastructure. Our streets are welcoming your daily solo exercise.”

Let's ride this out!
A HEALTHY APPROACH TO THE VIRUS **RIDE FOR FREE**

MADE POSSIBLE BY

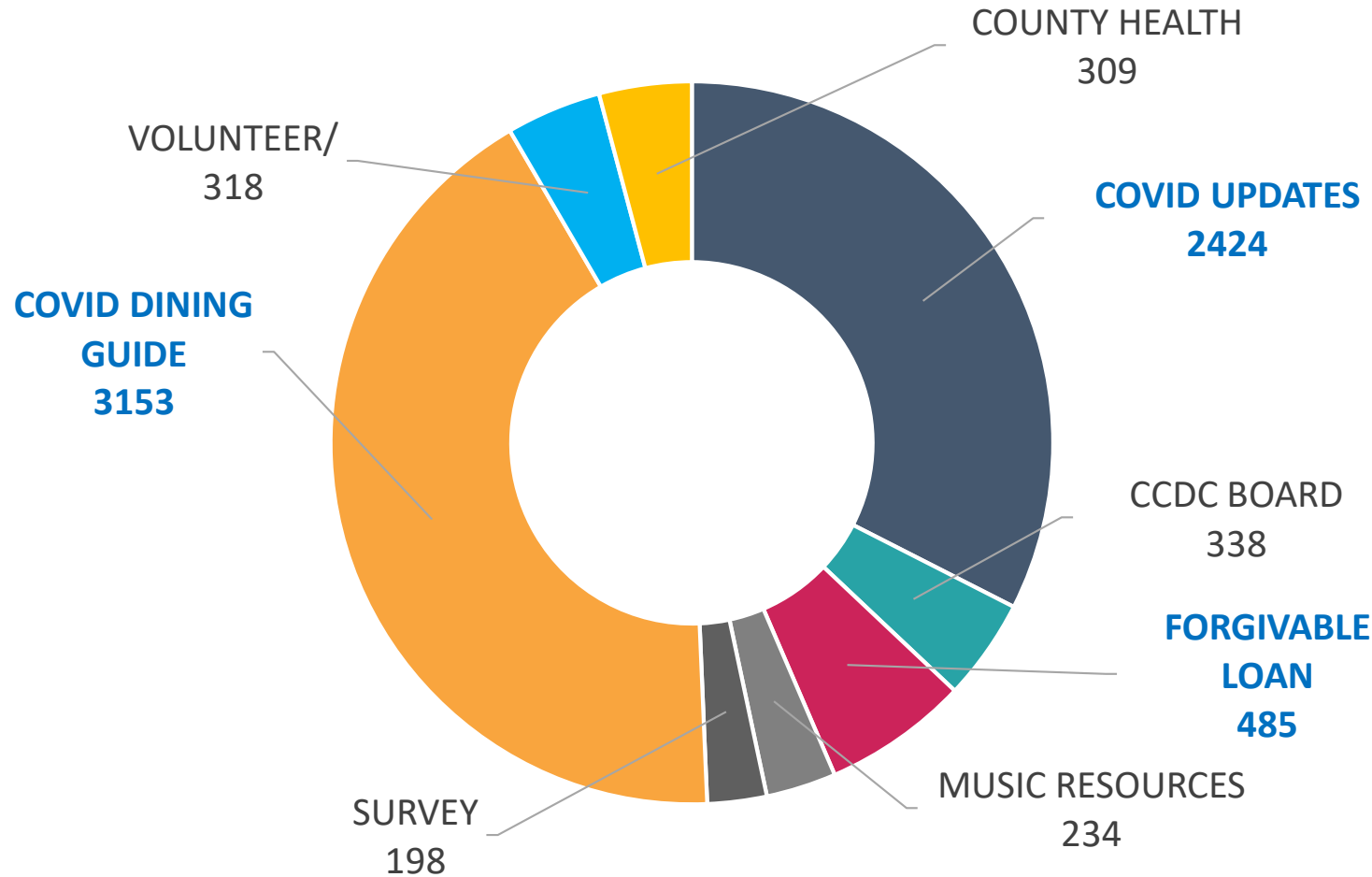
City of Memphis State of Tennessee

DOWNTOWN MEMPHIS COMMISSION Memphis TOURISM

EXPLORE BIKE SHARE'S
LET'S RIDE THIS OUT!

DMC COMMUNICATIONS: COVERAGE/REACH

WEBSITE STATS



COVERAGE:

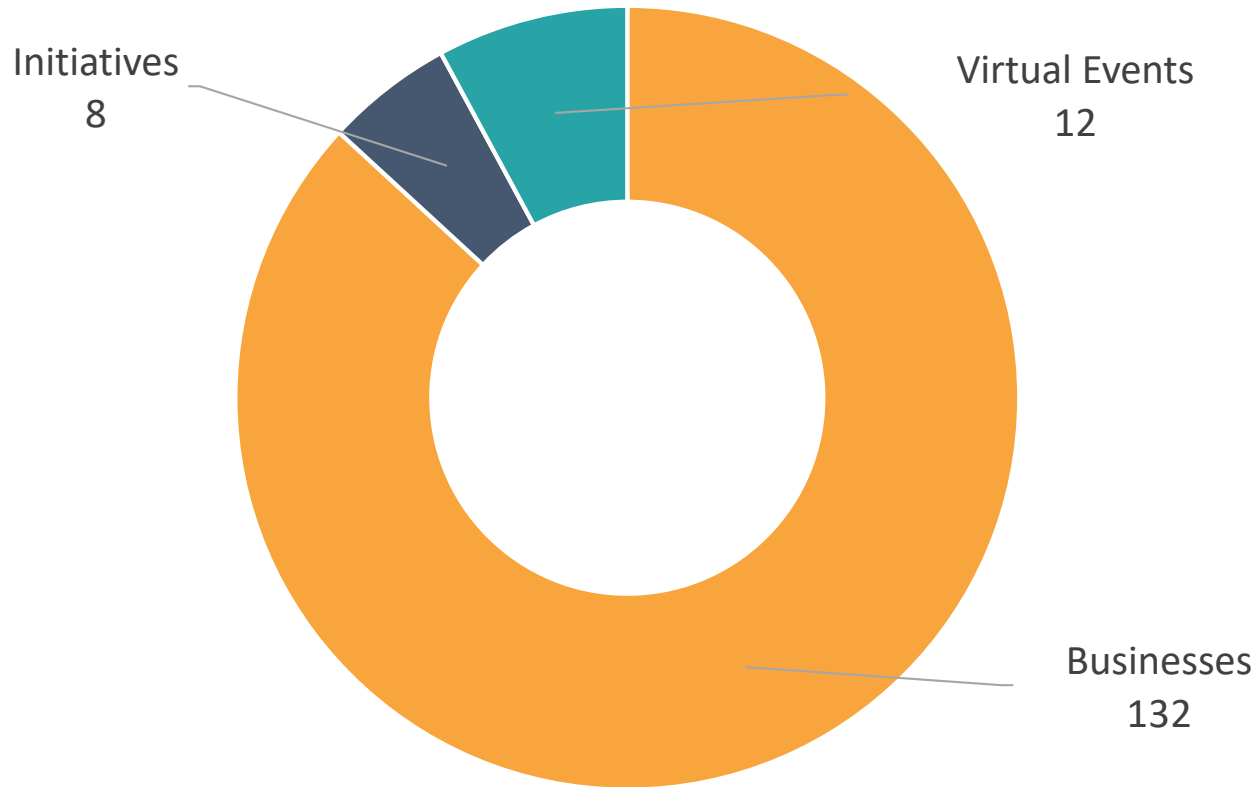
WMCTV - 5
LOCAL24
FOX13
WREG - 3
COMMERCIAL APPEAL
DAILY MEMPHIAN
MEMPHIS FLYER
MEMPHIS BUSINESS JOURNAL
MEMPHIS MAGAZINE

TOPICS:

CURBSIDE PARKING
INNOVATION
FORGIVABLE LOANS
EVENTS

DMC COMMUNICATIONS: COVERAGE/REACH

UNIQUE COVERAGE BY TYPE



COVERAGE:

WMCTV - 5

LOCAL24

FOX13

WREG - 3

COMMERCIAL APPEAL

DAILY MEMPHIAN

MEMPHIS FLYER

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TOPICS:

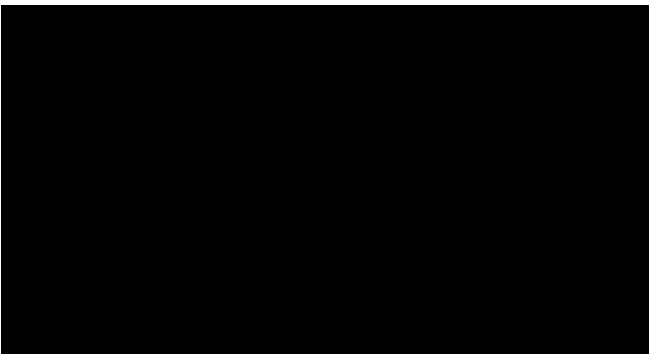
CURBSIDE PARKING

INNOVATION

FORGIVABLE LOANS

EVENTS

SEE YOU SOON CAMPAIGN: ENGAGING OUR MERCHANTS AND THEIR CUSTOMERS



Downtown Business Continuity Forgivable Loan Program

Support for Existing Downtown Businesses



Current Challenge

- COVID-19 is having profound impacts across the state, country and globe.
- Downtown Memphis retail and restaurants are not immune.
- DMC is concerned about otherwise healthy and successful businesses permanently closing due to this pandemic.
- Stabilizing existing businesses first is sound economic development policy.



CCDC Action

- Downtown Business Continuity Forgivable Loan program approved by CCDC on March 31, 2020.
- \$260,000 loan pool funded by CCDC
- Goal: Assist eligible businesses that are in serious jeopardy of closing due solely to the recent COVID-19 pandemic and associated economic impact.





Approval Process

- Ability to move quickly was a high priority
- CCDC established a loan review subcommittee
- Subcommittee met in virtual public meetings using Zoom
- Subcommittee meetings held on:
 - 4/13/2020
 - 4/17/2020
 - 4/22/2020
 - 4/24/2020

Downtown Business Continuity Forgivable Loan Program

- Up to \$20,000 per business.
- Structured as a **forgivable loan** with low monthly payments and 0% interest.
- Forgivable Loan converts to a **grant** if the business continues to operate for at least 2 years.
- The money can be used for:
 - Operational expenses & rent
 - Restructuring debt
 - Leasehold improvements & equipment



Program Terms

- Loan is amortized monthly using a 5-year schedule and 0% interest.
- Monthly payments will be put into an escrow account. After each year, the business will submit annual financial report and receive a refund of the loan payments made for the previous year.
- Applicant can request one 6-month deferral at the beginning of the term to begin making regular monthly payments.

DRAFT - March 30, 2020

DOWNTOWN BUSINESS CONTINUITY FORGIVABLE LOAN PROGRAM



A forgivable loan for assisting existing downtown businesses impacted by the COVID-19 pandemic and related economic impacts.

💰 A forgivable loan of up to \$20,000, for eligible existing businesses.

📅 Loan is forgiven if the business **stays open** for two years after receiving the loan.

📄 Funds can be used for **operational expenses & rent, fixed assets, and debt restructuring.**

Program Administered by the
Center City Development Corporation

114 North Main Street
Memphis, TN 38103

(901) - 575 - 0540
DowntownMemphisCommission.com



**DOWNTOWN
MEMPHIS
COMMISSION**

Closing or Default

- In the event of default or closing of the business, the remaining balance shall **not** be deemed as “forgivable” and will be due in full.
- Occurrences of default include, but are not limited to, the following events:
 - The business closes before 24 months and/or reduces staff by more than 50% after reopening.
 - The business fails to maintain regular operating hours.
 - The business modifies its operation and no longer meets current eligibility requirements.
 - The business fails to make regular monthly loan payments.
 - A loan payment is sixty (60) days past due.
 - The business fails to submit complete financial documents and provide annual updates as required.





Business Evaluation & Reporting

- DMC's CFO reviewed the financial history and current financial condition of each business to determine need and loan eligibility.
- Each approved business is required to provide an **annual update** on the financial status of the business over the next 24 months.
- DMC staff connected applicants to business consulting (StartCo) and technical assistance.



Maximum Forgivable Loan Amount

Average Yearly Gross Sales	Maximum Loan
Below \$250,000	\$5,000
Between \$250,001 - \$1,000,000	\$10,000
Between \$1,000,001 - \$5,000,000	\$20,000

Staff recommended loan amounts below the maximum in most cases due to high demand for limited resources.

Evaluation & Prioritization

Tenure Downtown			Business Type			Location			
<1 year 1 point	>1 year 2 points	>5 years 3 points	Service 1 point	F&B 2 points	Retail 3 points	CBID 1 point	Core 2 points	Retail Nodes 3 points	Main Street Mall 4 points

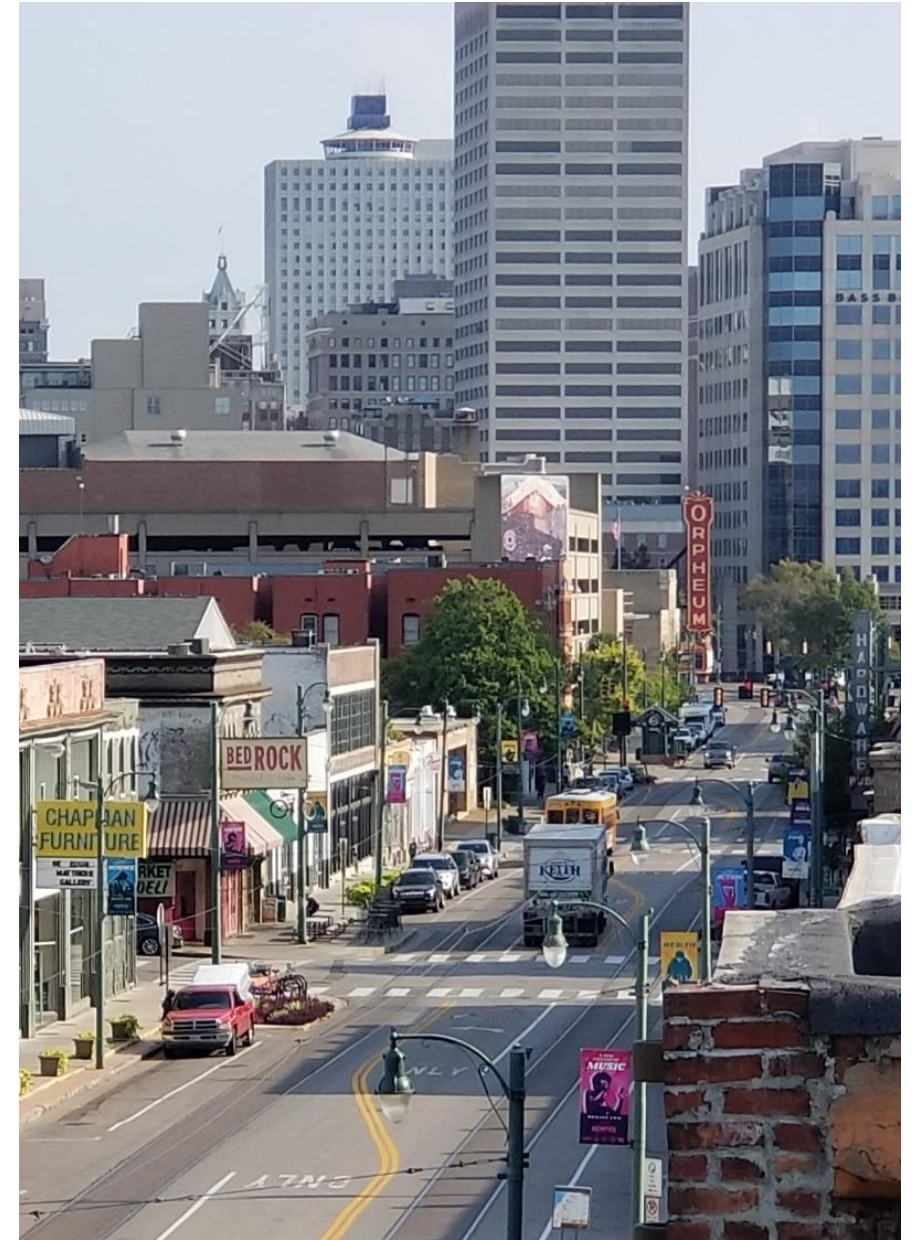
- Total possible scores range from 3 – 10 points.
- Most applications will score within the 6-8 point range.
- Numerical score is only one data point used to evaluate the requests.
- Staff is cognizant of Downtown’s Retail Strategy and the importance of diversity and inclusion as we build a Downtown for everyone.

April 13, 2020

Committee Approvals

Total: \$55,100 (8 Businesses)

- Alcenia's, 317 N. Main St.
- Premier Flowers, 10 N. Second St.
- South Main Book Juggler, 548 S. Main St.
- Fantom Events / The Broom Closet, 546 S. Main
- Rachel's Salon, 10 N. Main St.
- The Brass Door, 152 Madison Ave.
- Wrapzody, 99 N. Main St.
- McEwen's, 120 Monroe Ave.



April 17, 2020 Committee Approvals

\$79,900 (12 Businesses)

- The Peanut Shoppe, 24 S. Main
- Qahwa Coffee Bar, 109 N. Main
- Chef Tam's Underground Café, 668 Union
- Pontotoc, 314 S. Main St.
- Bluff City Coffee, 505 S. Main
- Havana Mix Cigar Emporium, 250 Peabody Place
- Max's, 115 GE Patterson
- WKND Hang Suite, 115 Vance
- A. Schwab, 163 Beale
- Sam's, 7 N. Main
- Stock and Belle, 387 S. Main
- Rizzo's Diner, 492 S. Main



April 22, 2020 Committee Approvals

\$65,000 (13 Businesses)

- Nine 01 Five 04, 676 Marshall Ave.
 - Mollie Fontaine Lounge, 679 Adams Ave.
 - Sabor Caribe, 662 Madison Ave.
 - Arnold's BBQ, 320 Monroe Ave.
 - Phillip Ashley Chocolates, 1200 Madison Ave.
 - Winfield's Shoes & Accessories, 2 S. Main St.
 - Bar Ware, 276 S. Main St.
 - Puck Food Hall, 409 S. Main St.
 - Green Beetle, 325 S. Main St.
 - Felicia Suzanne's, 80 Monroe Ave.
 - South of Beale, 361 S. Main St.
 - Bardog Tavern, 73 Monroe Ave.
 - City Market, 66 S. Main St.
- 

April 24, 2020 Committee Meeting at 2PM

\$60,000 (13 businesses)

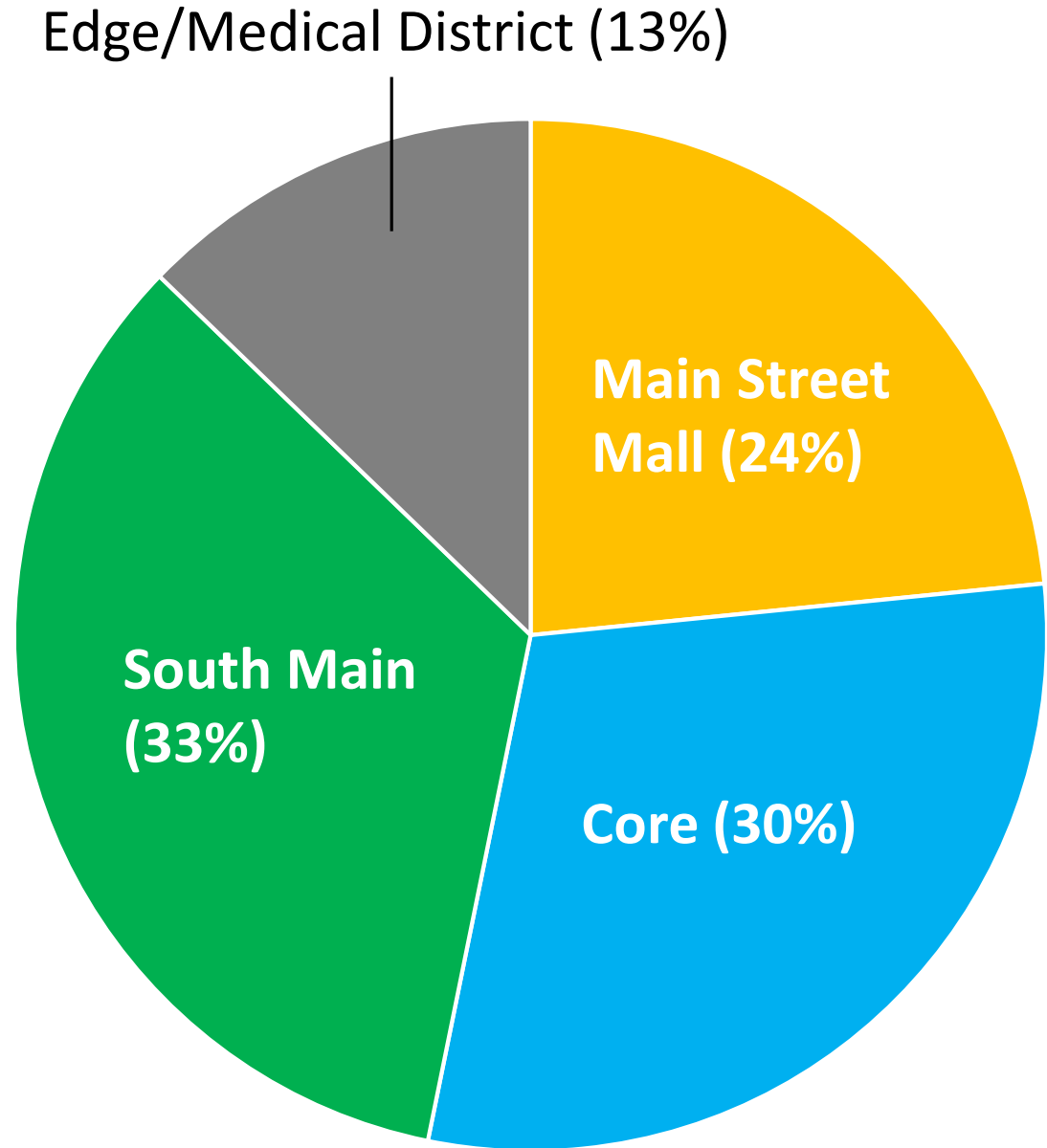
- Botto Jewelry Market, 43 S. Main St.
- Art Village Gallery, 410 S. Main St.
- River Time Deli, 111 S. Court St.
- South Main Sounds, 550 S. Main St.
- High Cotton Brewing Co., 598 Monroe Ave.
- Bogie's Deli, 80 Monroe Ave.
- 117 Prime, 117 Union Ave.
- Blind Bear, 119 S. Main St.
- The Pocket, 115 Union Ave.
- FAM, 149 Madison Ave.
- Kooky Canuck, 87 S. Second St.
- Café Keough, 12 S. Main St.
- The Vault, 124 GE Patterson Ave.

Overall Budget:

Forgivable Loan Commitments	Amount
April 13 th Committee Meeting (8 businesses)	\$55,100
April 17 th Committee Meeting (12 businesses)	\$79,900
April 22 nd Committee Meeting (13 businesses)	\$65,000
April 24 th Committee Meeting (13 businesses)	\$60,000
TOTAL:	\$260,000

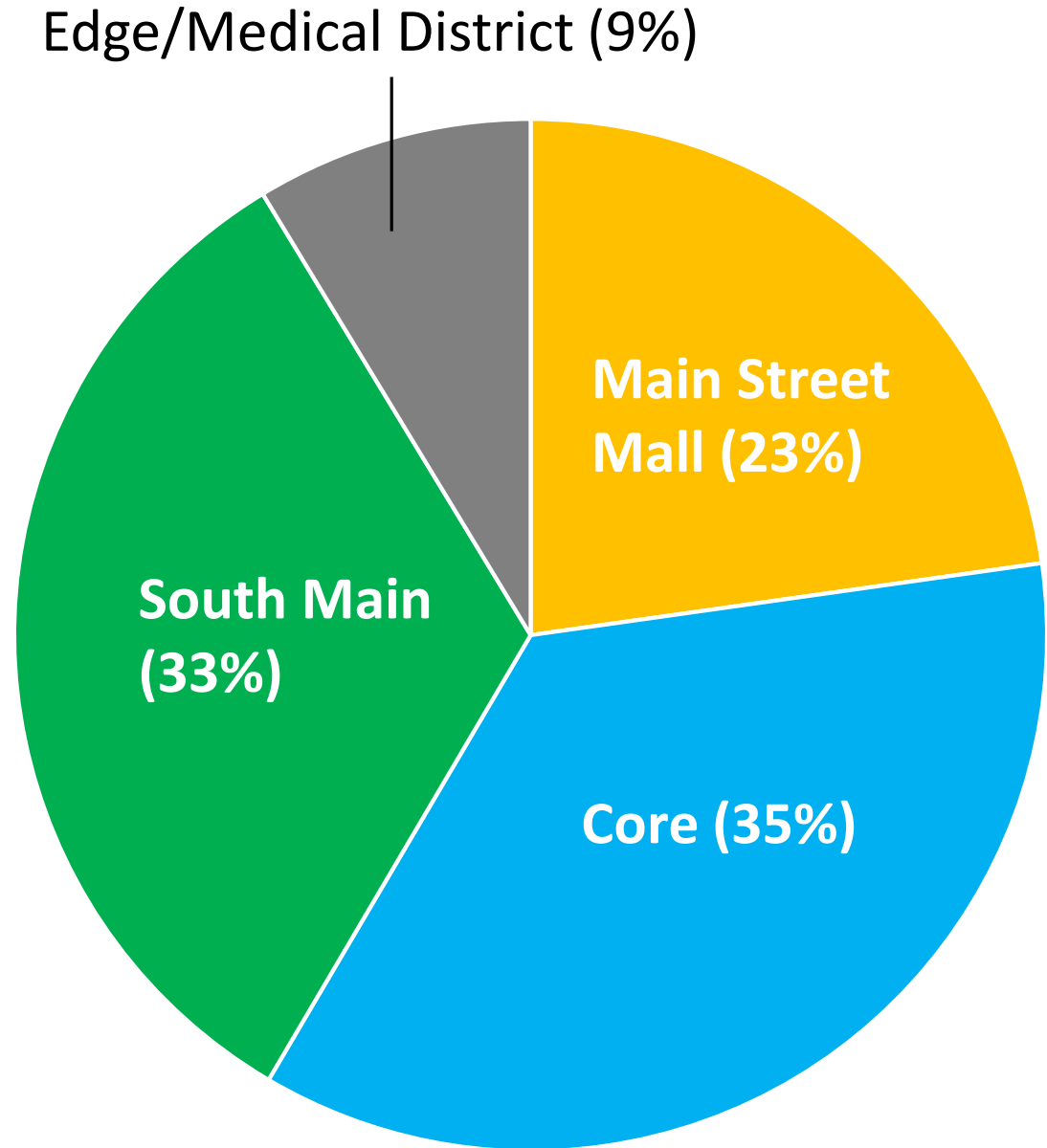
Number Of Loans By Location

- Main Street Mall (11 loans)
- Downtown Core (14 loans)
- South Main (15 loans)
- Edge/Medical District (6 loans)



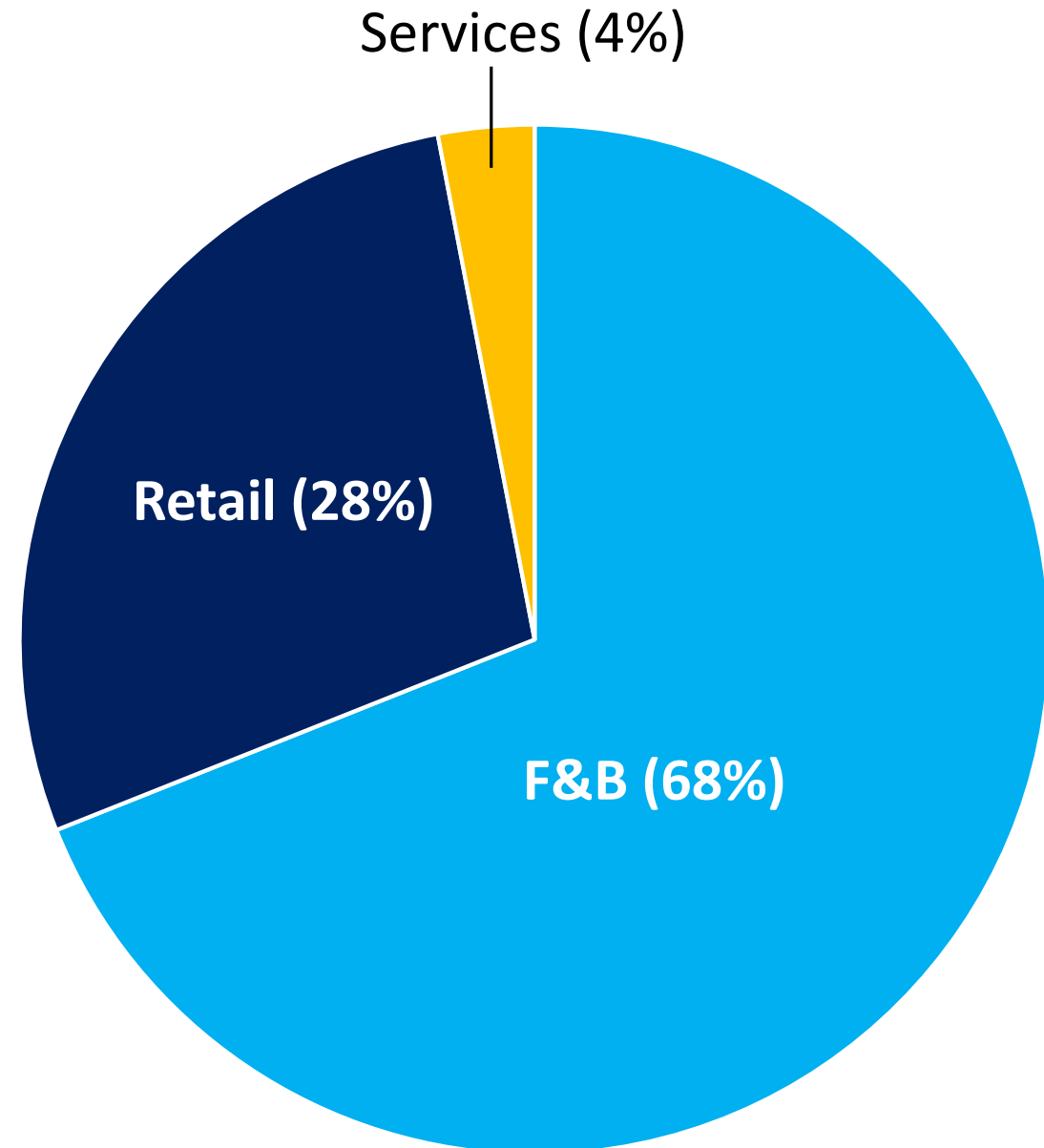
Total Amount By Location

- Main Street Mall (\$59,000)
- Downtown Core (\$92,500)
- South Main (\$85,100)
- Edge/Medical District (\$22,500)



Type of Business

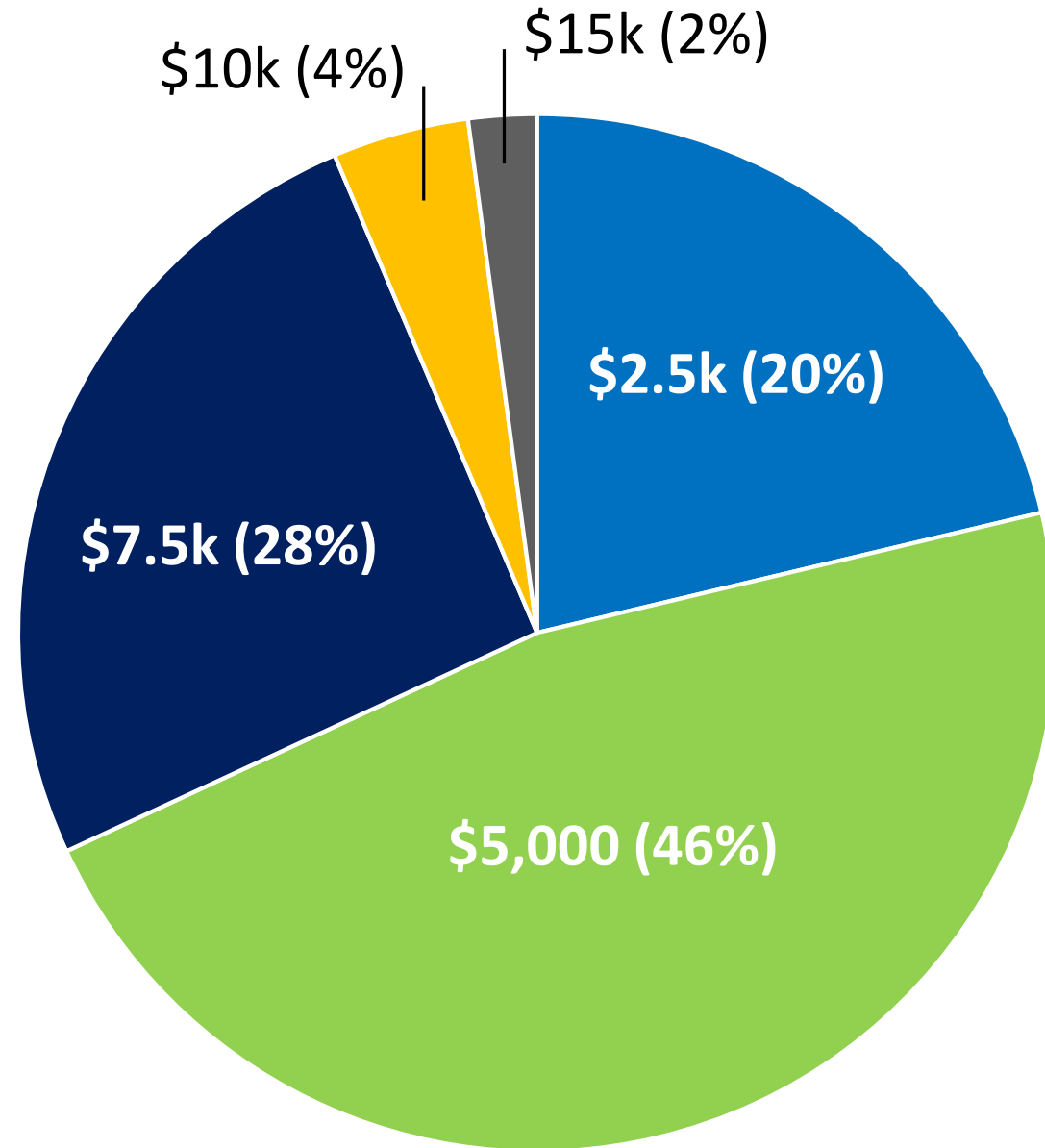
- F&B (31 loans)
- Retail (13 loans)
- Services (2 loans)



Size of Loans

- \$2,500 (9 loans)
- \$5,000 (21 loans)
- \$7,500 (13 loans)
- \$10,000 (2 loans)
- \$15,000 (1 loan)

66% of the loans were \$5,000 or less



Program Results

- \$260,000 allocated to directly support 46 Downtown businesses
- **\$152,500 approved for MWBE businesses (58.6% of total budget)**
- 29 MWBE businesses (63%)
- Special focus on Main Street Mall & Downtown Core (58% of budget)



EARLY OUTLOOK

- City/County
- Downtown
- Development Projects
- DMC



FINANCIAL UPDATE

March 2020



DMC

CBID assessment in line with budget

Includes an allowance for appeals/adjustments

Timing varies for Events and Improvements

CCDC

Increase in Development loans

Timing on Pass through expenses

Projects include Master Plan and Dog Park expenses

CCRFC

Fees for One Beale Hotel, 18 S. Main and 10 S. Main ownership transfer

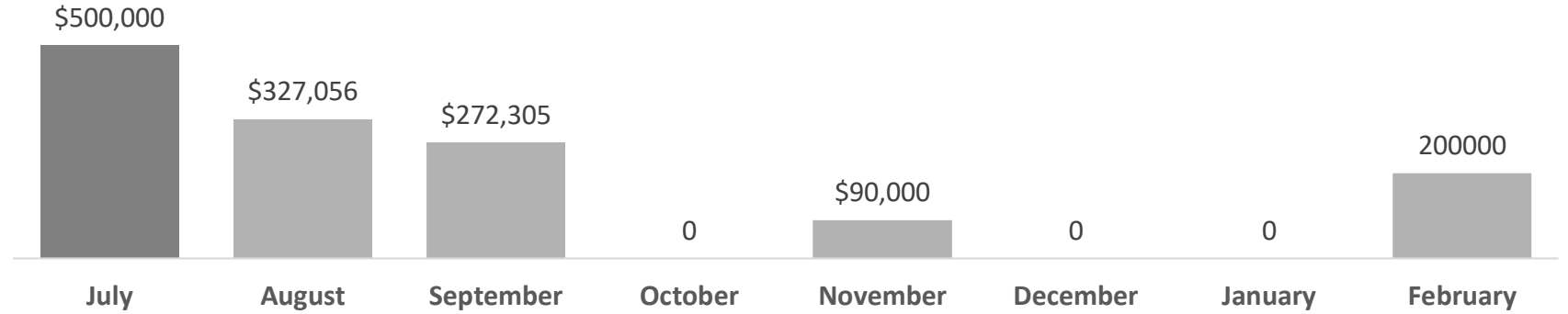
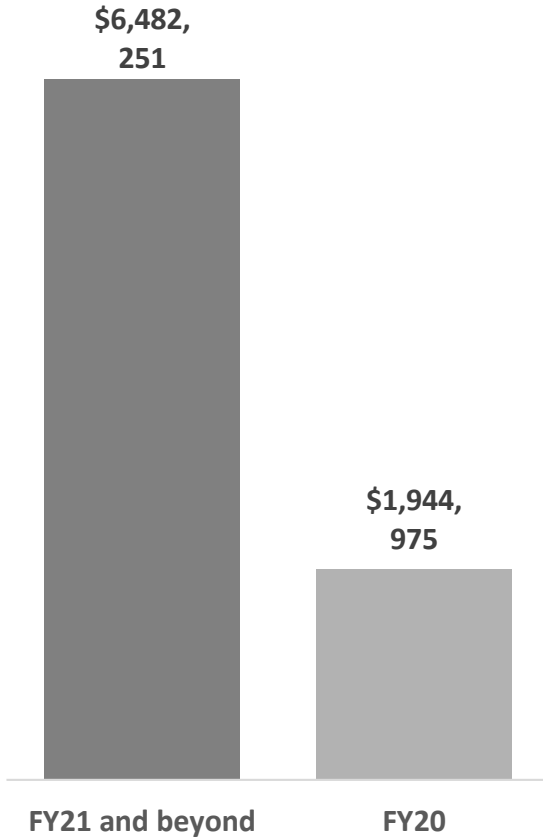
Funding of One Beale garage

DMA

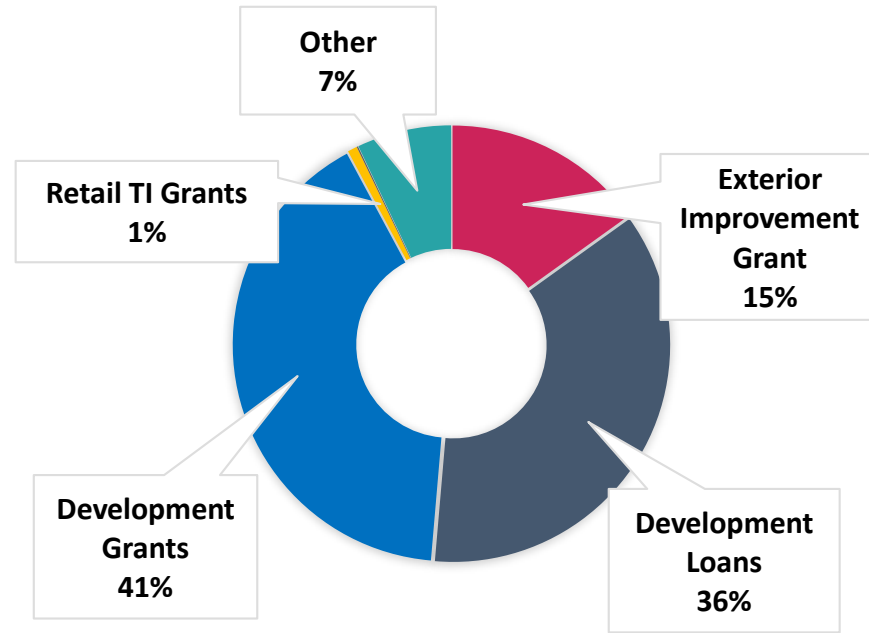
Parking operations

Transfer in from CCRFC

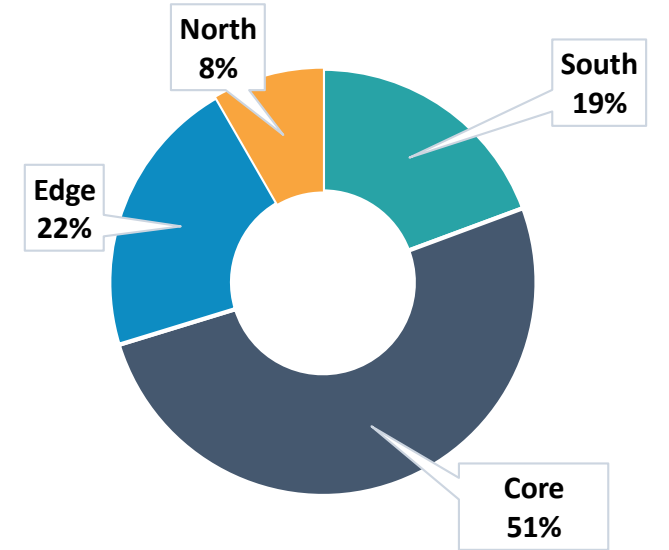
APPROVED CCDC COMMITMENTS \$8.4 MILLION



FISCAL YEAR APPROVALS



COMMITMENTS BY INCENTIVE



COMMITMENTS BY AREA

FY21 BUDGET



FY2021 BUDGET

DMC and Related Entities

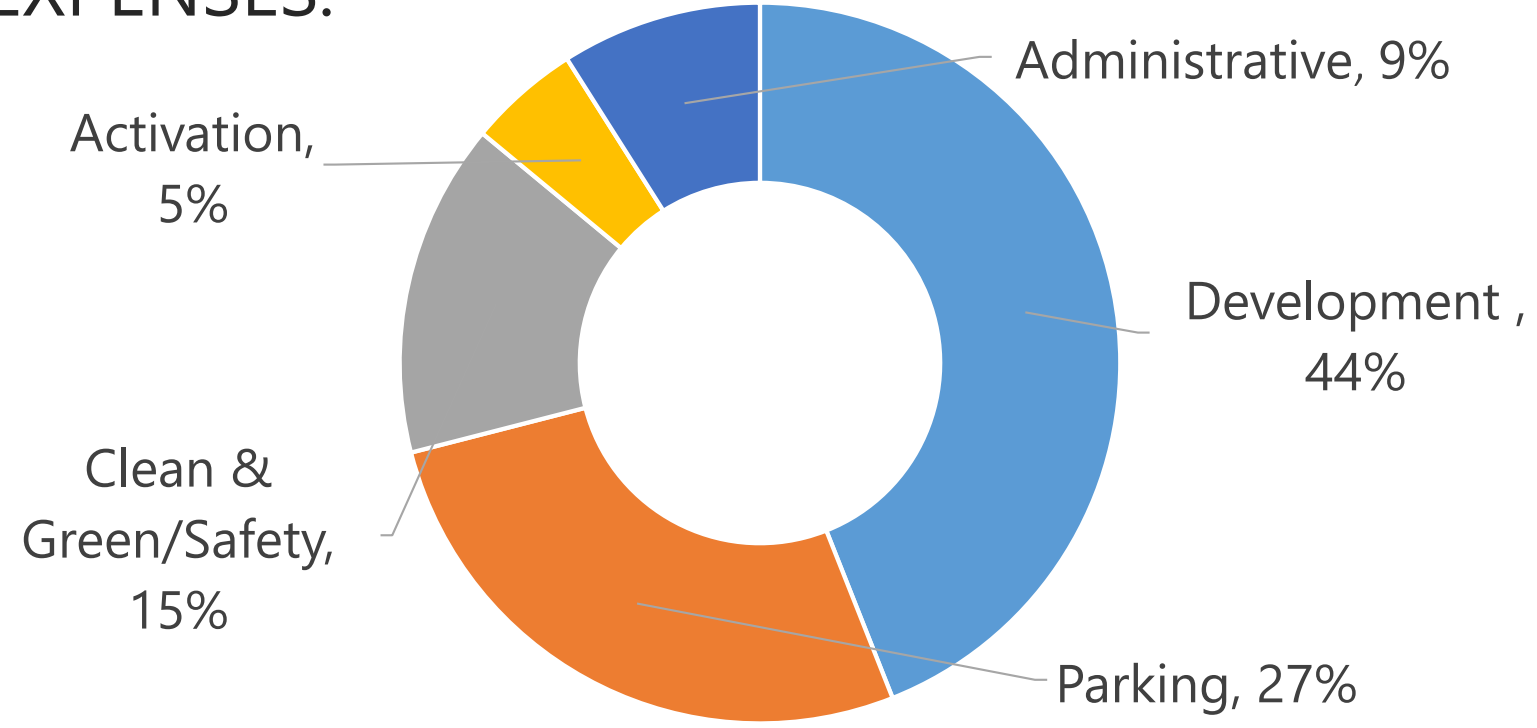
					TOTAL
FY21 Budget:	\$12.4M FY21 Revenue				
Total Income	\$ 3,828,000	\$ 61,400	\$ 3,600,000	\$ 2,080,055	\$ 11,569,453
Transfers In					1,406,605
	\$3.8M CBID Assessment				
Transfers Out					(1,406,605)
Total Expenses	(4,274,605)	(2,578,410)	(152,000)	(2,718,227)	(11,724,242)
Net Income					54,789
	\$6.3M PILOT Extension Fees				
Budgeted Net Income FY					135,959
	\$2.2M Parking Revenue				
Change in Net Income FY					\$ (290,748)

FY2021 BUDGET

DMC and Related Entities

FY21 Budget:
Total Income
Transfers In
Transfers Out
Total Expenses
Net Income (Loss) FY21
Budgeted Net Income FY20
Change in Net Income FY20

EXPENSES:



TOTAL
\$ 11,569,453
1,406,605
(1,406,605)
(11,724,242)
(154,789)
135,959
\$ (290,748)



NEXT BOARD MEETING

MAY 22, 2020