

# Center City Development Corporation

## Board Meeting

To: Center City Development Corporation (CCDC)  
From: DMC Staff  
Date: February 27, 2024  
RE: Good Neighbor Grant Request – 577 Dr. MLK Ave. (Memphis Municipal Federal Credit Union)

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The Good Neighbor Grant application has been submitted for consideration at the March 20, 2023 CCDC Board Meeting.

**Project:** Memphis Municipal Federal Credit Union

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Applicant: Delphine Price, Credit Union Manager  
577 Dr. MLK Ave.  
Memphis, TN 38126

Property Owner: Memphis Municipal Federal Credit Union  
577 Dr. MLK Ave.  
Memphis, TN 38126

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

Project Description: The subject property is a single story office building built in 1985. It houses the Memphis Municipal Employee Federal Credit Union which was chartered in 1963 and organized to serve unclassified employees. At that time the city provided no benefits to the mostly African American laborers who worked for the sanitation department. The creation of the credit union coincides with the civil rights movement that includes the 1968 Sanitation Workers Strike.

Now, the credit union has expanded to not only serve the families of the original members but also City of Memphis employees not participating in its retirement plans and employees of several city related organizations like Regional One. They also serve much of the South City neighborhood.

Recently, the credit union celebrated its 60 year anniversary and was approved for a historical marker. So, they are looking to highlight and improve the building. Among other improvements, they are looking to make façade updates for

aesthetics and safety. The exterior scope of work includes the following:

- Remove existing ramp at front entrance and rebuild it with new metal rails
- Repair gutters
- Replace rotting wood
- Repaint all trim work
- Re-build the concrete steps on the west entrance
- Replace existing awning on west side with a metal awning

EIG 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 South City, our partner is the City of Memphis Housing and Community Development and their Community Development Block Grant (CDBG).

The following describes the estimated project budget:

**Sources:**

Owner’s Equity	\$ 6,500	(21%)
<u>GNG Request</u>	<u>\$ 25,000</u>	<u>(79%)</u>
<b>Total Sources</b>	<b>\$ 31,500</b>	<b>(100%)</b>

**Uses:**

Repair gutter, replace and paint trim work	\$ 5,500	(17%)
Rebuild west entrance stairs	\$ 3,000	(10%)
Replace awning in west side	\$ 3,000	(10%)
<u>Install new ADA ramp with rails</u>	<u>\$ 20,000</u>	<u>(63%)</u>
<b>Total Uses</b>	<b>\$ 31,500</b>	<b>(100%)</b>

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 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 \$31,500, a 25% level of MWBE inclusion for that work is approximately **\$7,875**.

Staff Evaluation: DMC staff supports this grant application to improve the appearance and accessibility of an established business in the South City neighborhood. The accessibility improvements will greatly benefit the patrons of the business. Located on Vance Avenue, a major entryway into Downtown, it is also poised to positively impact tourist and community members alike. Additionally, the renovation aligns with the goal of the Good Neighbor Grant to restore the character of important, character defining buildings in South City.

**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.**