

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: March 16, 2022
RE: Exterior Improvement Grant Request, Soul & Spirits Brewery – 845 N Main

The enclosed Exterior Improvement Grant application has been submitted for consideration at the March 23, 2022, CCDC Board Meeting.

Project: **Soul & Spirits Brewery – 845 N Main**

Applicant: Blair Perry
Soul & Spirits Brewery
845 N. Main Street
Memphis, TN 38107

Property Owner: Belz Enterprises
100 Peabody Place, Suite 1400
Memphis, TN 38103

Applicant's Request: Exterior Improvement Grant in an amount up to \$40,000

Project Description: Soul & Spirits is a craft brewery located at 845 N. Main, a 39,000 square foot industrial building near the intersection of Keel and Henry in the Uptown neighborhood. Work on converting 845 N. Main into a brewery began only a few months before the beginning COVID-19 pandemic. This unprecedented turn of events presented the applicant with a number of challenges, both for the physical renovation of the space, and launching the business itself. Despite all these challenges, the brewery pulled off a successful opening in late 2021, and the applicant is already looking to make even more improvements to their space.

The applicant is planning to enhance the brewery with a new outdoor beer garden space on the south side of the building. This space will include a large paved patio with shaded outdoor seating, a gravel pad for food trucks, a dog pocket park, and room for a stage to facilitate outdoor performances. An existing accessible stair and ramp on the south side of the space will be incorporated into the space.

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 (general CBID) is \$40,000.

The following budget describes the project scope:

Sources:

Applicant's Equity	\$156,902	(79.7%)
CCDC EIG	\$40,000	(20.3%)
Total Sources	\$196,902	(100%)

Uses:

General Requirements	\$22,505	(11.4%)
Site Construction	\$29,500	(15.0%)
Concrete	\$31,437	(16.0%)
Metals (Structural Steel, etc.)	\$12,000	(6.1%)
Wood (Roof Trusses)	\$10,460	(5.3%)
Waterproofing	\$4,500	(2.3%)
Finishes and Furniture	\$24,500	(12.4%)
Special Construction	\$27,000	(13.7%)
Fire Sprinkler	\$20,000	(10.2%)
Electrical	\$15,000	(7.6%)
Total Uses	\$196,902	(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 use the City of Memphis Business Diversity & Compliance Registry and the resources at the Shelby County Office of Equal Opportunity Compliance to identify qualified contractors and tradespeople to perform the needed work outlined in their application.
- 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 \$196,902, a 25% level of MWBE inclusion for that work is approximately \$49,225

Staff Evaluation: 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.

Until recently, there were relatively few residents and businesses on the west end of Uptown near the Wolf River Harbor. But today, this area is dramatically growing, with projects like the mixed-use Snuff District, new affordable housing at Uptown Flats and Burkle & Main, and innovative “missing middle” housing at Malone Park Commons. Soul

and Spirits is positioned in the middle of this growth as a key neighborhood amenity that can provide a “third place” for residents and visitors alike to gather. The proposed outdoor beer garden at Soul and Spirits will further enhance this gathering place by creating an active outdoor space that makes the street more vibrant and inviting.

Recommendation:

Staff recommends approval of an Exterior Improvement Grant in an amount up to \$40,000 based on approved receipts and subject to all standard closing requirements and conditions.