

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: May 13, 2020
RE: South City Good Neighbor Grant Application – 645 E. Georgia Ave.

The enclosed South City Good Neighbor Grant has been submitted for consideration at the May 20, 2020 CCDC Board of Directors Meeting.

Project: 645 E. Georgia Ave. (Paradise Entertainment Center)

Applicant: Mr. Tyrone Currie, Project Manager
649 E. Georgia Ave.
Memphis, TN 38126

Applicant's Request: South City Good Neighbor Grant up to \$50,000.

Project Description: The subject property is located on the south side of E. Georgia Ave., in the block between S Lauderdale and McKinley St. The building sits next to vacant Shelby County Schools MLK Student Transition Academy (620 South Lauderdale St.) and Georgia Avenue Elementary (690 Mississippi Blvd.) The site contains a 42,000 square foot brick building with a surface parking lot to the north. Built in 1962, Paradise Entertainment Center has occupied the space as a launching pad for entertainers around the country since. The entertainment center has been a part of Memphis history for over 50 years, welcoming artists such as Aretha Franklin, Tina Turner, Lou Rawls, Ray Charles, Elvis Presley, Gladys Knight, Lionel Richie, and many others.

Renovations to the exterior of the property will allow for the entertainment center to expand its business model to include educational tours and lectures in an effort to promote the rich history it has played in rhythm and blues, rock and roll, soul, jazz and gospel music genres in a city once known as the "Music Capital" of the world. The center hopes to provide additional jobs to the neighborhood, a safe environment for older community members to enjoy music, and an affordable venue for upcoming promoters and entertainers.

The applicant is planning exterior improvements to the building and site including the following:

- Exterior Painting
- Exterior Signage
- New Windows & Doors
- Landscaping
- Exterior Lighting
- New Awning
- New ADA ramp & rail
- Parking-lot renovations

The applicant plans to begin renovation work upon grant approval.

Estimated Budget:

The South City Good Neighbor Grant is a special program offered by the Downtown Memphis Commission (DMC) and the Center City Development Corporation (CCDC) in partnership with the City of Memphis Division of Housing and Community Development (HCD) and the South City Choice Neighborhood Initiative (CNI). This grant is designed to help commercial property owners and businesses in the South City Neighborhood make exterior improvements to their property.

The South City Good Neighbor Grant is for exterior work only and provides up to 75% of the total project cost up to \$50,000.

Sources:

Owner-funded	\$44,104
<u>South City Good Neighbor Grant (CCDC)</u>	<u>\$50,000</u>
Total Sources	\$94,104

Uses:

General Conditions	\$32,474
New Windows/Doors & Hardware	\$2,000
Exterior Painting	\$9,750
Signage	\$5,700
Exterior Lighting	\$1,425
Parking, Seal, Paving & Restriping	\$17,800
Landscaping	\$3,900
Electrical/Hardware	\$10,600
Architectural Services (exterior work only)	\$1,500
Permit & Review	\$400
<u>10% Contingency</u>	<u>\$8,555</u>
Total Uses	\$94,104

Design Review:

This project will be reviewed at the June meeting of the Design Review Board (DRB).

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 (M/WBE) 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.**

Based on the estimated budget, a 25% level of MWBE inclusion is approximately **\$23,526**.

Staff Evaluation:

The South City Good Neighbor Grant is designed to help South City commercial property owners and businesses strengthen or restore the character of important places within the community with high-quality improvements to the exterior of their property. A secondary goal of the grant is to help new and existing businesses succeed by enhancing their curb appeal in ways that might not be possible without assistance. This project is aligned with the goals of the DMC and the Good Neighbor Grant to improve commercial property values and encourage property investment within the South City Neighborhood.

With the goal to strengthen and restore the character of important places within the South City neighborhood, Paradise Entertainment Center is an ideal applicant for the South City Good Neighbor Grant as a cornerstone of the community. The proposed exterior improvements allow Paradise Entertainment Center to preserve and restore the structure back to its status it once had in the 60s. The Paradise Entertainment Group is eager to be a part of the development and renovations currently happening within Downtown Memphis and in the South City Neighborhood.

The scope of work will enhance the pedestrian experience in the neighborhood, increase lighting and safety, and allow the building to enhance its existing character.

Its location within the Historic Residential Loop of the Memphis Heritage Trail, as well as its rich history as a core institution in the South City neighborhood makes this a vital project to inspire future renovations to other businesses in the neighborhood. Staff is in full support of approving a South City Good Neighbor Grant for this project.

Staff Recommendation:

Staff recommends approval of a South City Good Neighbor Grant in an amount up to \$50,000 based on approved receipts and subject to all standard closing requirements.