

# Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)  
From: DMC Staff  
Date: February 15, 2017  
RE: Exterior Improvement Grant (EIG) Application – 119 Madison Ave.

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The enclosed Exterior Improvement Grant has been submitted for consideration at the February 15, 2017, CCDC Board of Directors Meeting.

**Project:** 119 Madison Ave.

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Applicant/Owner: Wessman Development  
Mr. Chris Pardo  
1555 S. Palm Canyon, Suite D202  
Palm Springs, CA 92264

Applicant's Request: Exterior Improvement Grant in the amount of \$80,000.

Project Description: The subject property is a 4-story Jacobian Revival style building on the south side of Madison Avenue, in the block between Main Street and Second Street. The structure, listed as a Contributing Building within the Madison-Monroe National Register Historic District, was built in 1917 and features ornate terra cotta detailing on the front and west façades.

The applicant intends to fully renovate the building as a mixed-use development. The ground-floor will include a coffee shop or similar retail space. The basement level is intended to be used as a craft cocktail bar with an alley entrance. The upper floors will be designed as three apartment units, with each unit occupying an entire floor.

Scope of Work: Major elements of the exterior scope of work will include sidewalk repair, brick and terra cotta repair, window restoration, new entry doors, and new balconies on the east elevation.

Construction could begin as early as this spring and be completed in the fall.

Eligibility: The Exterior Improvement Grant is for exterior work only and requires minimum leverage of 1 to 1. The maximum grant for this proposed location is \$80,000.

Staff opinion is that the following scope items are potentially eligible:

Exterior stair and sidewalk repairs	\$12,000
Railing at basement retaining wall	\$4,420
New wrought iron decorative fence	\$9,000
Railing at exterior steps	\$2,040
Remove exterior aluminum wall	\$5,390
Cut/patch and repair existing structure	\$11,978
New balconies	\$9,936
Masonry window infill @ stairs	\$1,050
Remove brick/replace terra cotta	\$2,100
Clean/patch existing terra cotta	\$38,496
New brick	\$37,944
Remove/replace brick	\$9,360
Reglaze/repair/repaint 1 <sup>st</sup> floor windows	\$13,536
Clean/paint existing windows	\$10,080
New entry door	\$6,500
New entry door	\$3,200
New windows	\$1,000
Steel entry awning	\$750
<b>Total:</b>	<b>\$178,780</b>

Design Review:

This project will be submitted for review and approval at the March meeting of the Design Review Board (DRB).

EBO Program:

Any project that is awarded financial incentives from the Downtown Memphis Commission shall include a best faith effort to reach no less than 20% participation by women and/or minority owned businesses (W/MBE) 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.** 20% W/MBE inclusion for the above listed scope of work is approximately **\$35,756.**

Staff Evaluation:

The Exterior Improvement Grant program is designed to help Downtown commercial property owners and businesses make 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.

Staff is highly supportive of approving an Exterior Improvement Grant for this project given its prominent

location within the Downtown Core. Improving property conditions and remedying blight within the Core is a high-priority for the DMC. Moreover, the subject property is located along Madison Avenue, a strategic east-west corridor that connects key points of interest such as University of Memphis Law School, Madison Hotel, First Tennessee Building, Hotel Napoleon, Visible Music College, and AutoZone Park.

This structure is a Contributing Building within the Madison-Monroe National Register Historic District. Putting vacant historic buildings back into productive use is a long-standing goal of the DMC. Approving an Exterior Improvement Grant in this case will help mitigate some of the added costs associated with repairing the historic windows and damaged terra cotta ornamentation, two important character-defining elements of this building.

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