

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: August 14, 2019
RE: Exterior Improvement Grant (EIG) Application – 123 S. Court Ave.

The enclosed Exterior Improvement Grant has been submitted for consideration at the August 21, 2019, CCDC Board of Directors Meeting.

Project: **123 S. Court Ave. (ground floor)**

Applicant: Mr. Samuel Aroutiounian
1121 Abbot Kinney Blvd.
Venice, CA 90291

Property Owner: Ms. Anna Petrosyan
4827 Azucena Rd.
Woodland Hills, CA 91364

Applicant's Request: Exterior Improvement Grant in an amount up to \$31,981.

Project Description: The subject property is the ground-floor of a circa 1913 six-story building located on the south side of Court Square Park. While the majority of the building serves as residential condominium units, the ground-floor commercial space (approximately 2,051 sq. ft.) is a long-vacant property in the heart of the Downtown Core.

The applicant proposes a full renovation of the ground-floor for use as a coffee shop. The rear of the space will house Court Square Recordings, a new record label and recording studio that will be affiliated with the coffee shop. The applicant is requesting an Exterior Improvement Grant (EIG) to assist with new storefront windows and doors, exterior signage, lighting, and outdoor café seating.

The DMC's Design Review Board (DRB) will review the project following CCDC approval. Construction is scheduled to begin in September and be completed by the end of 2019.

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

Sources:

DMC / CCDC EIG Grant	\$31,981	50%
Owner’s Contribution	\$31,981	50%
Total	\$63,962	100%

Eligible EIG Uses:

Mobilization, demo, & cleanup	\$2,000	3%
Façade demo & new storefront	\$23,206	36%
Indoor/outdoor storefront bar	\$3,500	5%
Neon sign design, artist fee	\$3,000	5%
Neon sign fabrication	\$7,000	11%
New windows (south elevation)	\$14,710	23%
Exterior deck (south elevation)	\$3,000	5%
Outdoor lighting (south elevation)	\$1,500	2%
Architectural design fees	\$3,000	5%
Contingency (5%)	\$3,046	5%
Total	\$63,962	100%

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’s) 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, CCDC will cancel the incentive.** Based on the estimated budget, a 25% level of MWBE inclusion in the EIG scope of work is approximately **\$15,991**.

Staff Evaluation:

Staff recommends approval of an Exterior Improvement Grant in conjunction with the full renovation of the ground-floor commercial space at 123 S. Court Avenue. This project will put a vacant ground-floor commercial space back into productive use. Filling the gaps Downtown by reducing vacancy and increasing the density of retail offerings is highly consistent with the DMC’s Retail Strategy. Moreover, adding new destinations and points of interest along the perimeter of Court Square Park will only improve the overall vibrancy and level of regular activity in this much loved public park.

Staff Recommendation:

Staff recommends approval of an Exterior Improvement Grant (EIG) in an amount up to \$31,981 based on approved receipts and subject to all standard closing requirements.