

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: July 10, 2019
RE: Exterior Improvement Grant (EIG) Application – 169 Carolina

The enclosed Exterior Improvement Grant has been submitted for consideration at the July 17, 2019, CCDC Board of Directors Meeting.

Project: 169 Carolina Ave.

Applicant/Owner: Mr. Jereme Cavallo
169 Carolina Ave.
Memphis, TN 38126

Applicant's Request: Exterior Improvement Grant in an amount up to \$60,000.

Project Description: The subject property is a circa 1951 one-story building located on the south side of Carolina Avenue, in the block between S. Main Street and B.B. King Boulevard. The building currently serves as the Catering Division and Shipping & Receiving Office for the Cupboard Restaurant. The existing tenant plans to add an "Express Grab & Go" component at this location. Being open to the general public will necessitate exterior cosmetic improvements and a new storefront.

The exterior masonry will be repaired and repainted. A new metal paneling system will be added to the façade and side elevations. The corrugated metal cladding system features a thin profile and contemporary character. Enhanced exterior lighting will illuminate the façade and side elevations. The proposed wall-mounted fixtures will allow for a wall wash effect and lighting of the building soffit and signage.

The existing front façade currently lacks fenestration with only a single door extant. The proposed façade design will open up the front of the building with a new aluminum storefront, door, and glazed overhead door. A metal awning with attached signage will be added to the façade.

In addition to exterior lighting, other pedestrian-friendly improvements are planned. The existing wooden planting bed will be removed and replaced with a CMU block planter. The existing sidewalk is in poor condition and will be completely

replaced as part of this work. Additionally, the applicant is exploring the possibility of adding new bollard sidewalk lights in front of the building.

The DMC’s Design Review Board (DRB) will review the project following CCDC approval. Following DRB approval, construction could start as soon as October 1, 2019. The expected completion date is February 15, 2020.

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 \$60,000.

Sources:

| | | |
|----------------------|------------------|-------------|
| DMC / CCDC EIG Grant | \$60,000 | 49% |
| Owner’s Contribution | \$61,500 | 51% |
| Total | \$121,500 | 100% |

Eligible EIG Uses:

| | | |
|----------------------------|------------------|-------------|
| Mobilization & cleanup | \$3,500 | 3% |
| General conditions | \$10,500 | 9% |
| Temporary utilities | \$2,000 | 2% |
| New storefront | \$15,000 | 12% |
| Select demolition | \$7,500 | 6% |
| Exterior lighting | \$9,000 | 7% |
| Metal awning & signage | \$5,500 | 5% |
| Exterior paint & finishes | \$12,000 | 10% |
| Metal finishes | \$15,000 | 12% |
| Masonry & planter bed | \$10,000 | 8% |
| Landscape & irrigation | \$2,000 | 2% |
| Concrete & paving repair | \$10,000 | 8% |
| Fencing | \$3,500 | 3% |
| Rotted decking replacement | \$6,000 | 5% |
| <u>Design fees</u> | <u>\$10,000</u> | <u>8%</u> |
| Total | \$121,500 | 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 (MWBES) 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 **\$30,375**.

Staff Evaluation:

Staff is supportive of this project as a creative way to transform an underutilized building into a new business and point of interest in the neighborhood. The proposed exterior improvements are designed to provide a much-needed contemporary facelift to an otherwise opaque and utilitarian building.

Additionally, the project is situated along an important east-west corridor linking the heart of the South Main neighborhood with South City. Adding new businesses along this corridor will benefit both neighborhoods and further bolster this section of the South End as an increasingly vibrant area with a growing mix of commercial offerings.

Staff Recommendation:

Staff recommends approval of an Exterior Improvement Grant (EIG) in an amount up to \$60,000 based on approved receipts and subject to all standard closing requirements.