

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: July 11, 2018
RE: Exterior Improvement Grant (EIG) Application – 647 Madison Ave.

The enclosed Exterior Improvement Grant has been submitted for consideration at the July 18, 2018, CCDC Board of Directors Meeting.

Project: **647 Madison Avenue**

Applicant/Owner: Karen Adams
2635 Broad Avenue
Memphis, TN 38112

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

Project Description: The subject property is located at the south side of Madison Avenue, west of South Orleans Street. The 0.48-acre site includes two contiguous parcels with an existing building and adjacent surface parking lot. The existing building at this site was originally built in 1945 as a bakery. In 1964, Camp Electric Inc. purchased the property and conducted food equipment service and repair. In addition to offering commercial and residential equipment, Camp Electric also warehoused large equipment and commercial ovens.

The applicant purchased the property and plans to move her business into the space following the full renovation of the building. Karen Adams Designs will relocate its current administrative and production staff, design studio, printing, manufacturing and warehousing operations from a leased location on Broad Avenue. Established in 2001, Karen Adams Designs successfully designs and manufactures wholesale stationery goods and related trade products to over 1400 US based and international retailers. US based retailers are located in all 50 states.

The Exterior Improvement Grant scope of work will include the following major elements:

- Select demolition & concrete repair/replacement
- Sidewalk & parking area improvements

- Exterior painting & stucco
- Exterior electrical
- Exterior masonry
- Exterior windows & doors
- Steel gates
- Exterior signage

Construction will begin after all required approvals have been secured. Exterior improvements are expected to be completed within 6 months, with a target completion date of Q1 2019.

Scope of Work: The Exterior Improvement Grant is for exterior work only and requires minimum leverage of 1 to 1.

Sources:

Owner-funded	\$259,868
<u>EIG (CCDC)</u>	<u>\$60,000</u>
Total	\$319,868

Uses:

Demolition	\$10,500
Concrete	\$23,124
Sidewalk & parking lot	\$55,783
Exterior painting/carpentry	\$23,800
Exterior stucco	\$64,425
Exterior electrical	\$15,000
Masonry	\$29,800
Overhead doors	\$10,778
Exterior windows & doors	\$67,162
Steel gates	\$14,495
<u>Exterior signage</u>	<u>\$5,000</u>
Total Uses	\$319,868

Design Review: This project will be submitted for review and approval at the August or September 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 20% 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. 20% M/WBE inclusion for the above listed scope of work is approximately **\$63,974**.

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.

DMC staff is highly supportive of this project for several reasons. First, the full renovation of existing buildings is an important goal of the CCDC and the DMC. While the building was recently occupied, its exterior condition gave the impression of a vacant structure. Second, the project is located along Madison Avenue in the heart of the Edge, an important Downtown neighborhood. Notable recent DMC investments in the Edge include:

- PILOT and public parking garage in support of The Bakery Apartments, Orion Headquarters, Cycle Shop, and Leo Events
- Storefront Grant for High Cotton Brewing Company
- Exterior Improvement Grant for 672 Marshall
- Exterior Improvement Grant for Arnold's BBQ
- Neighborhood public art in partnership with Cat Pena and the Collaboratory
- Public realm and streetscape improvements in partnership with the Memphis Medical District Collaborative (MMDC).
- Exterior Improvement Grant for Edge Motor Museum, 645 Marshall Avenue.

Finally, approving an EIG for this project actively supports a local company, Karen Adams Designs, in their efforts to invest in permanent office space in Downtown Memphis. Recruiting and retaining Downtown office users, especially creative companies, is a top goal for the DMC and its affiliate Boards.

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.