



To: Center City Development Corporation (CCDC) Board of Directors
 From: DMC Staff
 Date: June 9, 2020
 RE: Suggested Updates to South City Good Neighbor Grant

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). Since 2018, the CCDC has approved 5 South City Good Neighbor Grants totaling \$223,703.

South City Good Neighbor Grants approved by CCDC

Date	Project	Grant Amount
July 2019	Off the Walls	\$45,359
March 2019	Memphis Magnetic Recording	\$28,344
March 2019	NAACP Memphis	\$50,000
May 2020	Paradise Entertainment	\$50,000
May 2020	Tom Martin's	\$50,000
	Total Awarded	\$223,703
	Total Remaining	\$276,297

Existing Program Details:

This grant is designed to help commercial property owners and businesses in the South City Neighborhood make exterior improvements to their property.

The following describes the current structure and key details of the program:

- The grant covers the cost to make exterior repairs and improvements to commercial buildings. Examples of eligible renovation work include:
 - Exterior building repairs, painting, tuck-pointing & masonry repair
 - Windows & door replacement/repairs, alterations to storefronts, canopies & awnings
 - High-quality exterior signage and exterior lighting
 - New fencing, sidewalk repair & landscaping
 - Removal of inappropriate site features
 - Architecture, design, & permitting fees
- For each project the maximum total grant is \$50,000.
- The grant covers 75% of the total project costs. The applicant is responsible for contributing the remainder 25% of the total project cost.

- Property owners and/or tenants with a signed lease within the South City focus area are eligible to apply.
- Grant funds are disbursed upon receipt of final invoices and satisfactory inspection of completed work.

Goals in Updating South City Good Neighbor Grant:

While the South City Good Neighbor Grant has been successfully used to support reinvestment in the South City community, staff believes that the program can be adapted to respond to the current pandemic and future post-pandemic climate. The applicant contribution amount can be altered in order to more closely align with the community's needs and financial abilities.

Goals in updating the South City Good Neighbor Grant include:

- Increase ways for the DMC to support important places within the community that have little capital for exterior renovations.
- To support local businesses that may have been impacted from the effects of COVID-19 and recognize the need to budget for additional overhead expenses under the current post-pandemic climate.
- Ensure the program is available, attractive and attainable for all owners and/or tenants committed to enhancing their curb appeal and investing in the neighborhood.

Proposed Changes to South City Good Neighbor Grant Program:

Staff recommends keeping the overall program structure intact while making a strategic change to the financial contribution amount required of the applicant. The maximum total grant amount available will remain at \$50,000.

DMC staff suggests making the following modification to the South City Good Neighbor Grant:

- *The Grant will cover 90% of the total project cost. The grant requires a financial contribution from the applicant of 10% of the total project cost.*

Conclusion:

As businesses begin to slowly reopen after the COVID-19 pandemic, the original 25% match requirement might become a barrier for potential applicants. Many small business owners have overhead expenses to pay after months of reduced or no income. After consulting with members of the South City businesses community, the City of Memphis Division of Housing and Community Development and program partners, staff believes that the proposed change to the South City Good Neighbor Grant program will make the grant more available, feasible and appealing to business owners in the area.