

# Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)  
From: DMC Staff  
Date: January 10, 2019  
RE: Exterior Improvement Grant (EIG) Application – Grind City Brewing Company

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The enclosed Exterior Improvement Grant has been submitted for consideration at the January 16, 2019, CCDC Board of Directors Meeting.

**Project:** Grind City Brewing Company, 83 Waterworks Ave.

Applicant/Owner: Grind City Brewing Company, LLC  
Mr. Hopper Seely  
83 Waterworks Ave.  
Memphis, TN 38107

Applicant's Request: Exterior Improvement Grant in an amount up to \$55,697.

Project Description: The subject property is a former industrial site located north of Uptown, between the Wolf River Harbor and N. Second Street. The 4.6 acre site was previously used as Tri-State Veneer & Plywood Inc. The existing warehouses total 39,700 sq. ft.

The applicant owns the property and plans to open Grind City Brewing Company, a new brewery and taproom. The first project phase will include the renovation of an existing 10,000 sq. ft. warehouse for use as the taproom and brewery. Additional warehouse space will be renovated as needed to expand brewing capacity in the future.

The applicant's primary focus is on interior improvements required to open a functioning brewery. With the support of an Exterior Improvement Grant (EIG), the applicant will be better positioned to make exterior cosmetic improvements in support of a new taproom.

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

The applicant plans to use the EIG grant to make the following exterior improvements:

- Demolition of front warehouse wall
- Add steel framing around new openings

- Install new roll-up overhead doors
- Exterior painting

Budget: The budget for the EIG scope of work includes the following:

Sources:

Owner's equity	\$55,698	(50%)
CCDC EIG Grant	\$55,697	(50%)
<b>Total Sources</b>	<b>\$111,395</b>	<b>(100%)</b>

Uses:

Select demolition	\$12,103	(11%)
Steel framing at openings	\$7,210	(6%)
Exterior painting	\$11,172	(10%)
New overhead doors	\$80,910	(73%)
<b>Total Uses</b>	<b>\$111,395</b>	<b>(100%)</b>

Design Review: This project will be submitted for review and approval at the February or March meeting of the 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 25% participation by minority and/or women owned businesses (MWBE) 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.** According to the overall project budget, a 25% level of MWBE inclusion for the above listed scope of work is approximately **\$27,849**.

Staff Evaluation: In addition to being an adaptive reuse of a former industrial property, the project represents a significant new investment in the North CBID. The project will serve as a new point of interest and destination in the area of Downtown just north of Uptown.

Staff is in full support of approving an Exterior Improvement Grant for this project. Local breweries and taprooms have the power to be catalysts for economic development in emerging neighborhoods. Taprooms can be draws for people and additional investment to vacant buildings and sites in the neighborhood. Local breweries and taprooms also function as informal community hubs and places for residents and visitors alike to gather.

**Staff Recommendation: Staff recommends approval of an Exterior Improvement Grant (EIG) in an amount up to \$55,697, based on approved receipts and subject to all standard closing requirements.**