

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: August 19th, 2020
RE: South City Good Neighbor Grant Application – 202 – 206 G.E. Patterson

The enclosed South City Good Neighbor Grant has been submitted for consideration at the August 19th, 2020 CCDC Board of Directors Meeting.

Project: 202 – 206 G.E. Patterson Ave.

Applicant/Owner: Tom Gattas (Representative)
202 – 206 G. E. Patterson Ave.
Memphis, TN 38126

Applicant's Request: South City Good Neighbor Grant up to \$46,788.

Project Description: The subject property is located on the north side of G.E. Patterson Ave., between S. 2nd St. and S. B.B. King St. The site contains a 5,550 square foot building divided into two (2) commercial spaces. The western bay is occupied by Renee's Sandwich Shop and the eastern space is transitioning into a new tenant, replacing The Haven Memphis. The building was built in 1903 and is located two (2) short blocks east of the South Main priority node.

The applicant is planning exterior improvements to the building and site including the following:

- Exterior Building Repair
- Tuck-pointing/masonry
- Exterior Painting
- New Awnings
- Fencing
- Landscaping
- Window Repair/replacement
- Storefront Repair/replacement
- Exterior Lighting
- Sidewalk Repair
- Exterior Mural/Art Component

The applicant plans to begin renovation work as soon as the grant is approved.

Estimated Budget:

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

The South City Good Neighbor Grant is for exterior work only and provides up to 90% of the total project cost up to \$50,000.

Sources:

Owner-funded	\$5,199
<u>South City Good Neighbor Grant (CCDC)</u>	<u>\$46,788</u>
Total Sources	\$51,987

Uses:

Cost estimations include labor cost

Design Assistance	\$ 2,000
Tuck Pointing/Masonry	\$13,075
Exterior Painting	\$ 5,578
New Metal Awnings	\$14,446
Wooden Fence	\$ 1,534
Landscaping Boxes	\$ 307
Window Replacement	\$ 845
Expansion Joint Repair	\$ 345
Concrete Patchwork (Sidewalk)	\$ 173
Lighting	\$ 2,200
Pressure Washing	\$ 1,399
Mural & Art Component	\$ 6,000
<u>9.75% Tax</u>	<u>\$ 4,085</u>
Total Uses	\$51,987

Design Review:

This project will be reviewed at the 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 25% 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.**

Based on the estimated budget, a 25% level of M/WBE inclusion is approximately **\$12,996**.

Outreach & Inclusion Plan: The specific steps required for each applicant to be compliant with the DMC's EBO Program takes into consideration the size, scope of work, and development costs associated with the project. At the time of incentive application, it is typically too early to identify specific contractors or sub-contractors that will ultimately be involved in the construction.

However, the applicant has a clear understanding of the EBO Program and has worked with DMC staff to identify the following key steps that will be included in their Outreach & Inclusion Plan:

- The applicant will use the City of Memphis Business Diversity & Compliance Registry and the resources at the Shelby County Office of Equal Opportunity Compliance to identify qualified general contractors and tradespeople to perform the needed work.
- The applicant will contact a minimum of 3 certified MWBE general contractors and proactively invite them to submit a bid.
- Once a general contractor is identified, the applicant will contact a minimum of 3 certified MWBE businesses for each trade or type of subcontractor needed, and provide each a fair opportunity to submit a bid and be considered for the work.
- Once the service providers have been identified, the applicant will submit the form titled "Proposed Utilization Plan" to DMC staff for review and approval. The applicant will also be asked to provide a full record of the outreach steps taken and the results thus far. This documentation can include items such as a phone call log, copies of emails, meeting notes, and similar information.
- After construction has started, the applicant will provide monthly updates to DMC staff detailing the project status and level of MWBE involvement at each major phase of the project.

Staff Evaluation: The South City Good Neighbor Grant is designed to help South City commercial property owners and businesses strengthen or

restore the character of important places within the community with 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. This project is aligned with the goals of the DMC and the Good Neighbor Grant to improve commercial property values and encourage property investment within the South City Neighborhood.

The proposed exterior improvements to this site contribute to the on-going renovation efforts in the South City and South Main neighborhoods. This building serves as a critical link in the pedestrian experience from South Main St. to new projects recently completed across S. B.B. King St., such as Wiseacre and the Patterson Flats.

The scope of work will bring added safety and vibrancy to a corner in much need of renovation. A new mural/art piece will provide character to a highly-visible blank wall along a major corridor to South Main. Awnings, paint, lighting and landscaping provide modern high-impact design solutions. Staff is in full support of approving a South City Good Neighbor Grant for this project.

Staff Recommendation:

Staff recommends approval of a South City Good Neighbor Grant in an amount up to \$46,788 based on approved receipts and subject to all standard closing requirements.