

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)
From: DMC Staff
Date: April 13, 2022
RE: Exterior Improvement Grant Request, Spotlight Productions – 649 N. Second St.

The enclosed Exterior Improvement Grant application has been submitted for consideration at the April 20, 2022, CCDC Board Meeting.

Project: **Spotlight Productions – 649 N. Second St.**

Applicant: Fabian Matthews
649 N. Second St.
Memphis, TN 38107

Architect: Juan Self
Self-Tucker Architects
480 M.L.K. Jr. Ave. #201
Memphis, TN 38126

Applicant's Request: Exterior Improvement Grant in an amount up to \$40,000.

Project Description: The applicant is the owner of Spotlight Productions, a full-service, award-winning video and new media production company. Spotlight Productions was founded in 1999 and is a Certified Minority Business Enterprise. Spotlight Productions produces marketing and sales videos, corporate videos, public service announcements, television shows, and music videos. The building is located in Uptown on the north west corner of Looney Ave. and N. 2nd St.

The applicant received a \$5,000 Downtown Pre-Development Assistance Grant from the DMC in February of 2022 to work with Self-Tucker Architects on schematic designs. The applicant is ready to move forward with exterior building repairs including tuck-point and masonry repair, new exterior lighting, landscaping, and the addition of a steel and LED art component.

EIG Budget: The Exterior Improvement Grant (EIG) is designed to help Downtown commercial property owners make high-quality improvements to the exteriors of Downtown buildings.

These improvements help businesses draw customers by enhancing curb appeal, increase walkability by adding street-level interest, and increase neighborhood property values.

The Exterior Improvement Grant is for exterior work only and requires a 1 to 1 match from the applicant. The maximum grant for this location (CBID) is \$40,000.

The following budget describes the EIG scope:

Sources:

Applicant’s Equity	\$80,000	(67%)
CCDC EIG	\$40,000	(33%)
Total Sources	\$120,000	(100%)

Uses:

Replace Windows	\$50,000	(42%)
Tuck-Point / Masonry	\$10,000	(8%)
Exterior Lighting	\$5,000	(4%)
Exterior Doors	\$10,000	(8%)
Landscaping	\$5,000	(4%)
New Awnings	\$30,000	(25%)
Mural / Art Component	\$10,000	(8%)
Total Uses	\$120,000	(100%)

Design Review: The applicant will submit design plans to the DRB in the coming months.

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.**

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 materials.
- 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.

Minimum MWBE Goal: With an estimated total project budget of \$215,000, a 25% level of MWBE inclusion for that work is approximately **\$53,750.**

Staff Evaluation: The Exterior Improvement Grant was created in part to encourage property investment to improve the aesthetics of buildings and places in Downtown Memphis. Another key goal is to encourage high-quality exterior lighting to improve pedestrian safety and comfort.

The proposed project brings aesthetic improvement and high-quality lighting to the Uptown neighborhood in

Downtown Memphis. The minority-owned business is a long-time member of the Uptown community and has provided programming for many loved Mid-South businesses such as WMC TV, NIKE, Gold Strike Casino, City of Memphis, Trust Marketing, The Rock-n-Soul Museum, Memphis in May, Travis Smiley, The Downtown Memphis Commission and The National Civil Rights Museum. They've been awarded 3 regional Emmys and 18 Telly Awards.

Today, the building adds very little to the pedestrian experience with minimal lighting and little evidence that the space is occupied by a business. The proposed project adds a stronger sense of ownership within the community, contributes to the pedestrian experience, improves the aesthetics of the building and enhances curb appeal.

Recommendation:

Staff recommends approval of an Exterior Improvement Grant in an amount up to \$40,000 based on approved receipts and subject to all standard closing requirements and conditions.