

# Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC)  
From: DMC Staff  
Date: May 15, 2023  
RE: Retail TI Grant Request – Lavish Too, 676 Marshall Ave. #102

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The enclosed Retail Tenant Improvement Grant has been submitted for consideration at the May 17, 2023, CCDC Board of Directors Meeting.

**Project: Lavish Too, 676 Marshall Ave. #102**

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Applicant: Lawanda Thornton  
676 Marshall Ave. #102  
Memphis, TN 38103

Applicant's Request: \$30,000 Retail Tenant Improvement (TI) Grant.

Project Description: The subject property is a vacant ground-floor retail bay in a 1-story commercial building at the northeast corner of Marshall Avenue and South Orleans Street. Located in the Edge District, it is close to tourist destinations like Sun Studios and Blues City Tours and local haunts like Edge Alley and Inkwel.

Lavish Too Boutique would be the second location of a successful boutique that originated in Whitehaven and has grown a loyal customer base over its 5 years in operation. The boutique aims to stand out by providing personal styling, unique pieces, and an encouraging environment.

While the space was previously used as a boutique, it has been left in an empty box condition with just a couple slatwall panels. The applicant intends to create a more luxurious space with improved lighting, shelving, and dressing rooms to elevate the shopping experience.

To establish this luxurious space, the applicant is seeking the support of a Retail TI Grant for the following:

- Polishing the flooring with an epoxy finish
- Creating encased permanent shelving for merchandise on the western interior wall
- Creating two dressing rooms and a inventory storage room
- Painting the space newly created rooms

As part of the tenant allowance, the landlord will cover the cost of installing new electrical wiring and lighting fixtures that will replace the existing track lighting.

Project Budget: The estimated project budget includes the following sources:

CCDC Retail TI Grant	\$27,000	(84%)
TI Allowance	\$5,300	(16%)
<b>Total</b>	<b>\$32,300</b>	<b>(100%)</b>

Work Eligible for TI Grant: The Retail Tenant Improvement Grant program is designed to encourage new businesses to open ground-floor locations along priority corridors and within targeted retail nodes. The Grant is reimbursable and requires the applicant to provide receipts of completed work.

Permanent improvements that are potentially-eligible for reimbursement under the Retail TI Grant program include the following:

Flooring	\$7,200	(22%)
Millwork – Perm. Shelving	\$4,500	(14%)
Electrical Labor*	\$3,500	(11%)
Framing	\$3,500	(11%)
Drywall	\$3,250	(10%)
Design Work	\$2,500	(8%)
Painting	\$2,500	(8%)
Lighting Fixture*	\$1,800	(6%)
Permitting	\$350	(1%)
Contingency	\$3,200	(9%)
<b>Total</b>	<b>\$32,300</b>	<b>(100%)</b>

*\*these will be covered by the landlord*

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 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.

**Minimum MWBE Goal:** With an estimated total project budget of \$32,300, a 25% level of MWBE inclusion is approximately **\$8,075**.

**Staff Evaluation:** DMC staff is in support of the applicant’s request. A key goal of the Downtown Memphis Retail Strategy is to support the growth of local businesses and to build a strong critical mass of stores and activities within existing retail nodes. The subject property is a strategically important vacancy in the heart of the Edge District. This Retail TI Grant request will support a proven business with an established customer base in opening a second location. It will bring new commercial vibrancy and add to the foot traffic in the area. This new retailer will add to the critical mass in the Edge District and support other CCDC investments like Inkwell, Edge Alley, Premiere Palace, and Evelyn & Olive.

**Staff Recommendation:** **Staff recommends approval of a Retail Tenant Improvement Grant in an amount up to \$27,000, based on approved receipts and subject to all standard closing requirements.**