

Downtown Memphis Commission

INNOVATION

The program's success was dependent on ensuring that the South City program was available, attractive, and attainable for all property owners and tenants in the neighborhood. Our program partners and staff worked together to review vastly differing applications, from a complete transformation of a warehouse into an art center, to refurbishing stained glass windows on a historically significant Romanesque revival church building.

Our goal was to spend the funding on as many high-impact improvements as possible. Each project had a scope of work unique to the needs of their building. These changes, led by the community and activated at the neighborhood level, worked in conjunction with each other to achieve an even greater impact than the sum of individual projects.

Innovation was shown via the program's flexibility and evolution. The grant was initially created to cover 75% of the project's cost on exterior improvements, up to \$50,000, which required that applicants contribute 25% of the total project cost. During the first year of the program, the DMC awarded three grants. Feedback from the community and our program partners quickly showed that the 75% funding was still a hurdle for many interested applicants, especially during a pandemic where budgets were already stressed. In June of 2020, the program was altered to cover 90% of the total project cost, requiring only a 10% contribution from the applicant. Over the next six months, applications doubled.

The grant offers funds for renovations that wouldn't be possible otherwise.

OUTCOME

Over the course of three years, we have supported eleven South City renovation projects, but the impact of these improvements reaches far beyond the individual property lines.

- Brown Girls Inc. - mixed-use retail and apartments
- Century House - private event space
- Clayborn Temple - historic site
- Memphis Magnetic - music recording studio
- Mustard Seed - non-profit
- NAACP - cultural anchor and historic site
- Off the Walls - artist and community space
- Paradise Entertainment Center - event center
- Renee's Sandwich Shop - community amenity
- Tom Martin's - community amenity
- Vance Avenue Youth Development Center - community anchor

Encouraging investment in a neighborhood immediately adjacent to our downtown benefits not only the residents and employees of South City but also the City of Memphis. The program's impact can be seen via the transformative curb appeal of new and existing businesses within the community and was our crucial measurement of success. The grant has significantly improved major corridors that connect South City to downtown's core.

The community-wide benefit of the program is a catalytic improvement to the pedestrian landscape. Sidewalk repair and new landscaping improvements alleviate connectivity issues along high-traffic corridors. New storefronts, additional exterior lighting, and the removal of burglar bars help to foster an increased sense of safety for pedestrians. Fresh paint, signage, murals, and art add

to the neighborhood's existing character and strengthen community pride and identity.

Additionally, the improvements increase the value of these businesses and their contribution to the neighborhood.

EXECUTION

Beginning in 2015, in partnership with the City of Memphis HCD and the South City CNI, a need was witnessed and a tool was created. This includes working with partners to fine-tune the incentive and to create an implementation strategy. The program boundary was established, and in 2018 implementation of the program began.

The DMC took inventory of existing commercial businesses within the boundaries and recruited the director of the South City Community Development Center as a project partner/community liaison. With her help, an inventory of 40+ locations was added to a database for consideration.

Each project represents a community-wide effort. It starts with outreach/informational meetings and includes on-site visits with partnered architects and application reviews.

The success of the program has grown dramatically over the past two years. To date, three of the South City projects have finished their renovations and been paid out. Four projects are currently under construction, and four are scheduled to begin construction this spring. The DMC staff works with each applicant to curate their scope of work, meet Equal Business Opportunity goals, and close-out the project with a site inspection and reimbursement.

REPRESENTATION

The South City Good Neighbor Program's success wouldn't have been possible without our diverse community partners. Our program partners consisted of members that work within the South City community, the Memphis HCD office, Memphis Housing Authority, and the South City Community Development Center.

A key component of the program is the DMC's partnership with local architectural firms to provide design assistance. Through the design assistance program, an architect meets the applicant on-site and walks the property to discuss potential improvements. Not only does the program cover the cost of design fees for the applicant, but it significantly improves the outcome of each project. Our partner architects' guidance to suggest innovative, feasible, and attractive solutions is invaluable for applicants with little to no renovation experience.

As a condition of receiving any of the DMC initiatives, the applicant must also follow the DMC's Equal Business Opportunity (EBO) program by having a fair and open bidding process for all contracting and subcontracting opportunities. The EBO goal for the South City Good Neighbor Grant is a minimum of 25% participation by minority and women-owned businesses in the total project development cost, including contracting and subcontracting opportunities.

REPLICATION

Creating opportunities for disinvested adjacent neighborhoods is a common goal for many downtowns and BIDs. The South City Good Neighbor Program was designed to encourage change, investment, and community pride in the South City neighborhood located only partially inside our CBID but critical to our core city's connectedness.

The DMC based the South City Good Neighbor program on our existing exterior improvement grant, and used the same basic criteria for eligibility. Any city with an existing exterior grant or an interest in starting one can easily replicate a program that benefits a partnering community.

Many cities have multiple CDCs that are overflowing with opportunity but limited on capital. Our program would not have been remotely successful without partnering with community agencies.

Every city has low-income neighborhoods; however, individual neighborhood needs are not the same. Attentiveness to the neighborhood's responses is crucial, and adaptations to the program should be expected and flexible.

Due to this program's overwhelming success and the relatively low cost, there is potential to continue the South City Grant within the CBID, funded by one of our affiliated boards.

COMPLEXITY/SIMPLICITY

Organizing a program that involves many different partners can present operational challenges. With a small staff, it was important to define a simple solution and strategy. We assigned one contact person at the DMC who coordinated quarterly update meetings with our project partners, fielded applicant questions, gathered data, reviewed applications, suggested solutions, and conducted site visits.

Another opportunity to simplify the program came via our program goals of creating something attainable, affordable, and attractive. To mitigate apprehension from applicants, staff worked alongside the applicants every step of the process, from the initial outreach through the project's conception, to construction.

Using our existing exterior grant as a guide proved to be substantially impactful and practical in implementing a successful program. By holding these projects to the DMC's high-quality design standard, this program ensures that every project is an investment in the South City neighborhood.

Finding ways to encourage investment in disinvested neighborhoods is universally challenging. By creating a program that allows for 90% of the final cost of a project to be covered, we believe this grant works to spark change, rather than simply incentivizing projects that would happen without it.