



ECONOMIC DEVELOPMENT
GROWTH ENGINE
FOR MEMPHIS & SHELBY COUNTY

Q4 2021 REPORT

ACTIVITY AT A GLANCE

Q4 2021 Approved Projects Have Committed to...

- 4 PILOTs Totaling:
 - » \$76,720,000 in Capital Investment
 - » 577 Jobs
 - » \$117,790 Average Wage
 - » \$9,527,240 in spending with Minority/Women-Owned Businesses
 - » \$52,370,184 in Total Local Tax Revenue
- 2 Bonds:
 - » \$88,775,000 Amount Approved
 - » \$275,000,000 Total Capital Investment
 - » \$41,011,800 in spending with Minority/Women-Owned Businesses
- 2 ICED Loans:
 - » \$23,000 Amount Approved
 - » \$48,962 Total Capital Investment
 - » 4 Total Jobs
- 3 NEED Grants Totaling:
 - » \$15,000 Amount Financed



ECONOMIC GROWTH & JOB CREATION

The Bluff City will welcome a sixth Fortune 1000 company after a PILOT was approved for a large, global paper producer. A top pharmacy and long-time hair care leader are also making moves in Memphis thanks to PILOTS. For smaller businesses, ICED loans and NEED grants continued helping entrepreneurs as they navigate uncertainty caused by the pandemic.



Sylvamo Corporation | PILOT

Sylvamo Corporation will be a spin-off of International Paper Company's Printing Papers business. The company will be one of the world's largest producers of printing and writing paper with estimated annual sales of more than \$3 billion, seven mills and 3.5 million short tons of capacity. Hammermill is one of the company's most recognizable brands.

Sylvamo will have a tremendous global footprint with United States operations in New York and South Carolina, in addition to three facilities in Brazil, one in France and one in Russia. The company evaluated numerous locations during its search for a corporate headquarters. Memphis met the selection criteria, and soon Sylvamo will add another Fortune 1000 company to our city's landscape.

A 15-year Jobs PILOT was approved to enable the company to create 300 jobs with an average wage of \$179,235 and invest more than \$10,000,000 to renovate and equip office space.

- 300 New Jobs
- \$179,235 Average Wage
- \$14,500,000 Capital Investment
- \$35,569,630 Total Local Tax Revenue
- \$2,486,63 Spending with Minority/Women-Owned Businesses



Walgreen Co. | PILOT

EDGE approved a 10-year Fast Track PILOT to encourage Walgreen Co. to launch a 103,000 sq. ft. pharmaceutical micro-fulfillment facility in Memphis. This \$30 million project will create 200 net new jobs with an average wage of \$41,035 at 3299 Tchulatch in a new speculative industrial building.

This facility will transform Walgreen's product delivery model to lower costs related to filling customer orders, improving the customer experience, and expanding delivery services. This model is expected to increase the speed packages go to stores, to lockers for pick-up, and directly to customer homes.

Founded in 1901, Walgreen Co. is the second largest pharmacy chain in the United States.

- 200 New Jobs
- \$32,170 Average Wage
- \$29,500,000 Capital Investment
- \$11,936,024 in Total Local Tax Revenue
- \$2,415,414 in Spending with Minority/Women-Owned Businesses

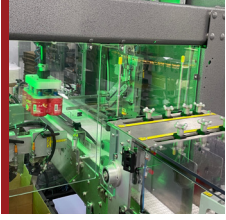


The Heights General Partnership | PILOT

The Heights General Partnership received a 15-year Community Builder PILOT for a commercial renovation project at the intersection of Summer and National. This site is a priority Accelerate Anchor in the Memphis 3.0 Comprehensive Plan and will focus on the revitalization of a 564,000 sq. ft. community shopping center located at 3393 Summer Avenue.

The project is supported by the Heights Community Development Corporation and the Summer Avenue Merchant's Association. The total investment of just over \$2.7 million will address facade improvements along with mechanical system upgrades, landscaping, and additional items.

- Tenants are expected to have approximately 40 New Jobs
- \$2,720,000 Capital Investment
- \$415,337 Spending with Local Minority/Women-Owned Businesses



Ampro Industries, Inc. | PILOT

An amendment to a prior PILOT was approved for the health & beauty industry leader. Ampro received approval for a four-year Jobs PILOT in May of 2020. The PILOT was established to encourage the firm to invest \$6 million in additional machinery and equipment, which helped Ampro grow its product offerings. The company added 15 new jobs in the Frayser neighborhood. The amendment increased the PILOT term to six-years and will encourage Ampro to acquire an adjacent 220,514 square foot long-vacant warehouse.

Ampro also plans to build a connector linking the two facilities. The expanded project will generate 36 net new jobs and a \$30 million investment, including \$4,000,000 for the building purchase, \$15,000,000 for construction and renovations, and \$11,000,000 for new manufacturing equipment.

- 36 New Jobs
- \$41,035 Average Wage
- \$30,000,000 Capital Investment
- \$2,312,813 Total Local Tax Revenue
- \$4,209,859 Spending with Minority/Women-Owned Businesses



City of Memphis Accelerate | Bond

Through Accelerate Memphis, the City of Memphis will issue approximately \$200 million in bonds to facilitate catalytic community projects intended to accelerate growth by improving quality of life, driving equity and inclusion, improving connectivity, and solving stubborn problems throughout the City.

Current interest bonds will be issued to provide funding for the Memphis Affordable Housing Trust Fund and repairs to AutoZone Park and FedExForum. With \$10 million in funding from Accelerate Memphis, Historic Melrose will become a state-of-the-art library branch and genealogy center. Up to \$5 million in Current Interest Bonds proceeds will be used to renovate the upper floors.

- \$19,140,000 Bond Amount
- \$200,000,000 Total Investment
- \$7,279,000 Spending with Minority/ Women-Owned businesses

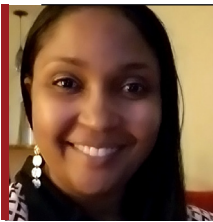


Liberty Park TDZ | Bond

Liberty Park Project will come to life after EDGE issued a \$75,000,000.00 bond to finance its development. The project is a 22-acre site that will include a 230,000 square foot sports and event complex, complete with a hard-court pavilion that houses basketball and volleyball courts.

The event pavilion will contain 75,000 square feet of column free space including 2,000 fixed bleacher seats and three outdoor turf fields. The infrastructure is in place for an 18-acre portion of the site to be transformed into a mixed-use private development area focused on hospitality, retail, entertainment, office space, and market-rate housing located at the Memphis Fairgrounds Campus.

- \$69,635,000 Bond Amount
- \$75,000,000 Total Investment
- \$33,732,800 Spending with Minority/ Women-Owned businesses



The Vineyard, LLC | Inner City Economic Development (ICED) Loan

The Vineyard, LLC will utilize its ICED loan to transform an empty commercial bay into a fresh event space at Elvis Presley and Shelby Drive. The Vineyard, LLC will be operated by Kimberly Price of Priceless Entertainment. Price's vision for a new Whitehaven banquet hall leverages her 10 years of event management experience and her desire to offer affordable event space. The \$12,000 EDGE ICED loan will help her transform the Prices' home-based business into a full-scale banquet facility.

The Vineyard, LLC will offer 3,500 square feet of rental space located within Southland Plaza. Renovations to the space include the demolition of the interior space, construction and equipping of a catering kitchen with a commercial vent-a-hood, and new interior finishes. This new event space will be available for a range of events and the Prices' plan to offer a suite of services to their clients including event planning, decorating, support with charitable activities, and event advertising.

- Loan Amount Approved: \$12,000
- Total Capital Investment: \$24,274
- Projected New Jobs: 2



Sumadhi Spa Pro Aesthetics Training Center | ICED Loan

Sumadhi Spa Pro Aesthetics Training Center will join Whitehaven's business landscape after owner Terica Fitzgerald was granted an \$11,000 EDGE ICED loan. The loan will help with interior improvements to be completed at the center's 1100 East Brooks Road location. The 5,251 sq foot space is located within Bellbrook Industrial Park.

Students will be enrolled for the mandatory 750 hours required for to take the state board test. Pro Aesthetics Training Center will also provide coaching services to licensed professionals for a fee, reduced price services to the public, and skin care items for purchase.

Fitzgerald is a Memphian and grew up in Whitehaven. Her knowledge and background, personal relationships with industry professionals, and the lack of an aesthetic training center in the Whitehaven and the surrounding areas created the vision for Pro Aesthetics Training Center.

- Loan Amount Approved: \$11,000
- Total Capital Investment: \$24,690
- Projected New Jobs: 2



ASSISTANCE IN A TIME OF CRISIS



EDGE created a way to mitigate hardships businesses have faced during the pandemic, and a top organization took notice.

EDGE won a coveted award from the International Economic Development Council for the Neighborhood Emergency Economic Development program, or NEED grants.

The Neighborhood Emergency Economic Development (NEED) Grant was created to provide relief to small businesses located in Memphis' most vulnerable neighborhoods that have been affected by the COVID-19 outbreak.

NEED Grant was approved by the EDGE Board of Directors on April 15, 2020. The goal from day one has been to get these businesses the help they need quickly - going from application to check in hand in no more than two weeks.

EDGE provided NEED Grants to three business in Q4. From April 2020 to June 2021, 177 grants were awarded to 59 businesses. Eighty-five percent of those who received help are Minority/Women-Owned Businesses.



Saucy Chicken | NEED Grant

EDGE provided Saucy Chicken with a NEED grant to stabilize operations due to the impacts of COVID-19. Saucy Chicken opened in 2019 and brought a new dining option to Crosstown and the midtown community. After a highly successful first year, the impact of COVID-19 hit the new restaurant hard. Owners Cy Washer and Philipp von Holtzendorff-Fehling made significant adjustments during COVID-19 including adjusting staffing levels and tapping into Cares Act resources including PPP and EDIL loans. However, the impacts of the pandemic lingered as Crosstown slowly reopened.

While federal assistance has allowed the Saucy Chicken team to continue operating, they have had difficulty maintaining rent payments. The \$5,000 EDGE NEED grant assisted them in catching-up on negotiated deferred rent and served as a critical lifeline to stabilize the business. The NEED grant also provided the ownership team the opportunity to focus on scaling up business as key anchors like Methodist, Church Health, St. Jude, and others bring their teams back to Crosstown to work, dine, and shop.

- Grant Amount Approved: \$5,000



The Cut Barber & Styling Salon | NEED Grant

As the pandemic worsened, business at The Cut Barber & Styling Salon slowed. Sonya Watson has owned The Cut for 12 years and feared it might close. Most of the Cut's clientele stopped visiting as the pandemic spread. Watson also leases booth space to other cosmetologists and barbers. Shutting down her space meant her renters would also lose theirs. Watson realized she would need some help to stay afloat.

Watson reached out to EDGE to apply for a \$5,000 NEED Grant. The entrepreneur had a blueprint of how she would allocate funds to keep the doors open. As the vaccine became available, customers began to trickle back to the shop. The NEED Grant would help bring bills current.

- Grant Amount Approved: \$5,000



LUX Transport, Inc. | NEED Grant

The NEED grant program was created to provide relief to businesses that have experienced at least a 25% loss in revenue because of COVID-19. Lux Transport fell into this category when the need for non-emergency vehicles dropped due to event cancellations. In addition to reduction in vehicle requests, Lux also lost 75% of its employees because many of them were afraid to return to work. Owner Teresa Halliburton made hard decisions on how to keep the business running as the pandemic continued to take its toll.

Halliburton plans to use funds provided by the NEED TO grant attract new employees, improve her fleet's safety measures, and help with bills. One area Lux plans to add is the ability to start transporting people with mobility issues. "The grant funds will help us buy more items in bulk to assist our members in wheelchairs and mobility aids in and out of vehicles. We plan to upgrade our fleet to include GPS tracking software as well as to acquire equipment needed to start transporting stretcher members," Halliburton stated.

- Grant Amount Approved: \$5,000

NEED GRANTS AWARDED

April 2020 - June 2021

\$966,700

**TOTAL AMOUNT OF
GRANTS**

159

BUSINESSES ASSISTED

21

ZIP CODES

85%

AWARDED TO MWBEs



INCREASING SKILLS FOR A BETTER WORKFORCE

Through the U.S. Department of Labor, America's Promise Grant (MOVE-HIRE: Medical Device Occupations Value Education and Help in the Regional Economy), the Greater Memphis Alliance for a Competitive Workforce (GMACW) continued their work connecting people who are unemployed/underemployed with training programs that teach in-demand skills.

Q4 2021 MOVE-HIRE Impact:

- Total Population Served: 1,286
- Total Enrolled in Training: 1,084
- Total Completed Training: : 756
- Total Obtained Employment: 411

Training providers who enrolled the majority of machining students on the grant still have a significant number of students expected to graduate with an associates degree as a machinist between July 2021 and December 2023. These students have earned at least one credential and are still working towards earning their associates degree and as a result, will seek employment at that time.

MOVE-HIRE GRANT IMPACT

- 141 MOVE-HIRE participants from Moore Tech are expected to graduate between July 2021 - December 2023
- 69 MOVE-HIRE participants from TCAT are expected to graduate between January 2022 - December 2023.
- 60% of MOVE-HIRE participants entered medical device/advanced manufacturing training with either a high school diploma or GED.
- 91% of the population served resided in Shelby County, with remaining representation from Tipton, Fayette, DeSoto, Marshall, Tate, and Crittenden counties.
- 56% of the population served employment status at program entry was either unemployed or not in the labor force.
- 39% of MOVE-HIRE job placements consist of MOVE-HIRE participants who were either unemployed or not in the labor force at program entry. Fifty-five percent of this demographic now earns \$15.00 or more per hour.

*Progress toward training this area's workforce slowed in Q4 2020 due to the COVID-19 pandemic. GMACW transitioned to remote work in March 2020. All grant partners – including all training institutions and local agencies with which GMACW has recruitment partnerships – closed and/or transitioned around this time as well, greatly reducing ease of access to these programs.



GRANT SUPPORTS MARINE FREIGHT FEASIBILITY STUDY

The Port Commission has been awarded a \$400,000 Economic Development Administration grant from the United States Department of Commerce, to conduct a \$500,000 feasibility study for a future Marine Multi-modal Freight Terminal for the future movement of containers in the Memphis harbor. The \$100,000 match will be paid by EDGE.

The grant will look at the feasibility of three locations for the phased implementation of handling containers transported from the Gulf of Mexico to Memphis. The study locations will include the 50-acre public terminal location on Presidents Island, the 100-acre Pidgeon Industrial Area Harbor, and the 800-acre closed TVA Fossil Fuel plant site/MLG&W property on McKellar Lake within the Pidgeon Industrial Area.



EDGE Managed Entities

Depot Redevelopment
Corporation of Memphis and
Shelby County

Greater Memphis Alliance for a
Competitive Workforce (GMACW)

Industrial Development Board of
the City of Memphis and County
of Shelby, TN

Memphis and Shelby County Port
Commission

EDGE Properties

Frank C. Pidgeon Industrial Park

Presidents Island

Major Programs

- Financing
 - :: Inner City Economic Development (ICED) Loans
 - :: Taxable and Tax-Exempt Industrial Revenue Bonds (IRB)
- Tax Incentives
 - :: Foreign Trade Zone (FTZ) 77
 - :: Payment-in-Lieu-of-Tax (PILOT)
 - :: Tax Increment Financing (TIF)
- COVID-19 Assistance
 - :: Neighborhood Emergency Economic Development (NEED) Grant
- International Port of Memphis
 - :: The Frank C. Pidgeon Industrial Park, Presidents Island, and McKeller Lake
 - :: Harbor Dredging
 - :: New Multi-Modal Marine Freight Facility
- Small Business Technical Assistance
 - :: EDGE Provides Financial Assistance for SBA Emerging Leaders Program
 - :: EDGE Provides Financial Assistance for the Small Business Development Center (Southwest Tennessee Community College)
- Workforce Development
 - :: America's Promise Grant/MOVE-HIRE*
 - :: Industry outreach, assessment, and training support

*Funded by the U.S. Department of Labor

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Gerre Currie, Treasurer
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Greater Memphis Alliance for a Competitive Workforce

Thomas Dyer, Chairman
Cary Vaughn, Vice Chairman
Dr. Florence Jones, Secretary
Gerre Currie, Treasurer*

** Ms. Currie is an Officer of the Board, but does not hold the position of GMACWorkforce board member.*

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