

TECHNICAL ASSISTANCE PANEL REPORT

Madison Heights
Memphis, TN



June 2020



Technical Assistance Panel Madison Heights Memphis, TN

Panel Recommendations to Memphis Medical District
Collaborative (MMDC) & Mississippi Boulevard Christian Church
June 2020

ULI Memphis & RegionSmart

The mission of the Urban Land Institute (ULI) is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. As the preeminent, multidisciplinary real estate forum, ULI facilitates the open exchange of ideas, information and experience among local, national, and international industry leaders and policy makers dedicated to creating better places.

RegionSmart is creating an ecosystem of people, projects and resources to support the building of stronger, sustainable communities in the MidSouth. From neighborhood-level, small-scale developments to region-spanning innovations, our braintrust of passionate partners and real estate professionals direct and deploy best practices to help mentor and train those determined to help our cities and our region thrive. It's how at RegionSmart, we're Building on Collaboration.

The Technical Assistance Panel (TAP) program provides expert, multidisciplinary advice to organizations facing complex land use and real estate issues in the MidSouth. TAP programs offer objective and responsible advice on a wide variety of land-use challenges ranging from site-specific projects to public policy questions and is intentionally flexible to provide sponsoring organizations with a customized approach to a solution. ULI Memphis members from across the region participate as panelists, volunteering their time and expertise for the process.



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Introduction

Madison Heights is one of Memphis' more diverse neighborhoods: in terms of its history, building stock, businesses, people – and opportunities. Though few may use the name today, Madison Heights is a place steeped in history. The name has been used to describe the neighborhood since the late 1800's, when it was still an independent township. Today, the neighborhood is the confluence point for where the more readily identified Crosstown, Midtown and Medical District areas meet.

The study area is a 124-acre site within the Madison Heights neighborhood, one of several distinct neighborhoods in the larger Medical District. It radiates from the intersection of Madison Avenue and Cleveland Street and includes a variety of land uses and shops, businesses, religious and educational institutions, service organizations and a small residential mix of apartments and homes. The boundaries of the study lie between Cleveland Street and Interstate-240 (east-west) and Poplar and Union avenues (north-south).

Madison Heights is situated in an area proximate to both large-scale institutions (medical, educational and social) located within the larger Medical District, as well as small-scale entrepreneurs, ethnic eateries and service industries. The Memphis Medical District Collaborative (MMDC) Anchor Institutions and other businesses collectively represent over 30,000 employees, 8,000 students and 9,500 residents. A majority of the 47,000+ employees, students and residents commute by car. Of the approximate 30,000 people working in the District, only 2% also reside there, meaning 98% are commuting in from other locations. Most (80%) of these commuters are traveling greater than 10 miles to work, and in terms of geography, they come from a variable spread of communities east of the study area.

Currently, Madison Heights is a primarily commercial neighborhood although it has a greater population density, housing mix and diversity than Memphis-at-large. Though the current available housing stock is scant and often underutilized, and the economic profile of neighborhood residents is below the median for Memphis, the statistics belie the neighborhood's inherent dynamism and latent urbanism.

Madison Heights is adjacent to areas that in recent years have seen increasing investment and development. Over \$2 billion worth of institutional expansions are projected in the area, complementing an additional \$137 million in human-services and city-led projects, as well as \$2.2 billion in proposed and/or recently completed projects. Market studies conducted in 2017 indicated that the Medical District could absorb, by 2021, over 2,500 additional housing units and approximately 200,000 square feet of commercial/retail space. Despite the pace of development referenced and projected above, a gap of over 1,300 units and nearly 170,000 square feet of commercial space was estimated at the start of 2020. Its proximity to jobs, anchor institutions, leisure activities and the city's central core have positioned it for growth, as evidenced, in part, in recent years by rising property values.

Even with changing market conditions given the current economic uncertainty, Madison Heights is poised to become better integrated into and benefit from development activity that meets latent market demand.

Panel's Charge

As invested community builders in Madison Heights, MMDC and Mississippi Boulevard Church turned to the TAP process for answers to the following question:

How should Madison Heights position itself to best participate in the future development of the area?

- Specifically looking at the neighborhood influences, development potential, market price points, and best practice strategies for mixed income, mixed-use as applied to Madison Heights.
- Understand the current neighborhood and propose what other uses and tenants best complement existing users and future plans for the surrounding neighborhood.

TAP Process

The TAP was held virtually on Zoom due to the COVID-19 pandemic. The panelists took a self-tour using materials provided in the briefing book and had a kick-off meeting to get to know each other, plan out the week of meetings, and get a briefing from the sponsor. Ben Schulman gave an intro to MMDC and the neighborhood. James Maclin shared the desire of Mississippi Boulevard Church to discover the highest and best use of the land surrounding their church of which they are the majority landowner. He emphasized the Church wanted to start with a clean slate and identify a self-sustainable legacy for the Madison Heights neighborhood's future development. The next morning, the panel participated in stakeholder interviews with 14 residents, business owners, leaders of anchor institutions, the MMDC, the Downtown Memphis Commission (DMC), and the City of Memphis. The panel identified common observations and organized the information learned from their tours, the briefing book and the interviews into a SWOT (Strengths/Weaknesses/Opportunities/Threats) analysis:



Strengths of Madison Heights

- Strategically placed in the City
- Heart of the City (Robust Social Services)
- Diversity: Race, Economic, and Generation
- Cultural Diversity
- Anchor Institutions (Medical, Educational, Worship and Social Services) with strong leadership

TAP Process (continued)

- Collection of unique small/local businesses
- High daytime population
- Within MMDC and DMC Boundaries
- Hospitality: Two Hotels
- High availability of incentives available

Weaknesses/Challenges of Madison Heights

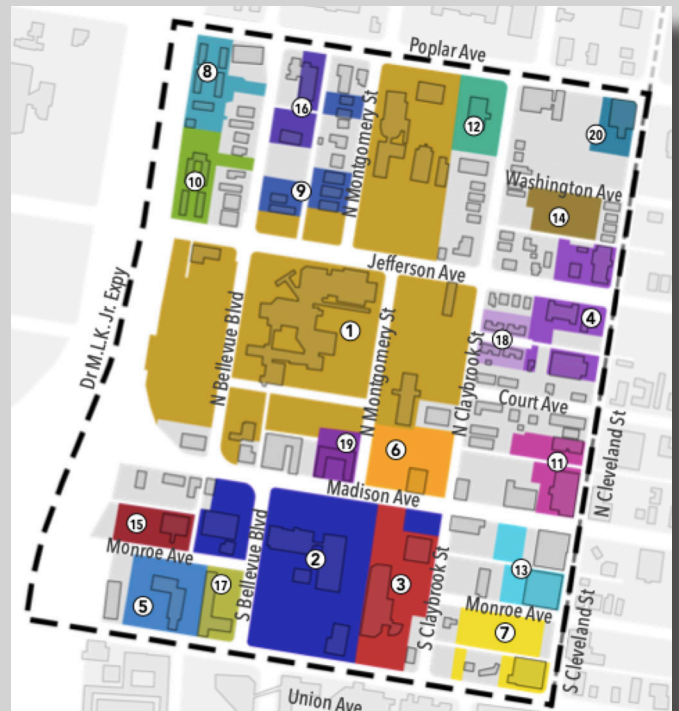
- Lack of a representative voice for the community as a whole
- No organized alignment between the businesses
- Not pedestrian friendly (lots of fences, no lighting, lots of litter, broken sidewalks)
- Not enough green space and/or gathering spaces
- Lack of housing density and lack of quality affordable housing
- Difficult building owners and lack of quality retail buildings
- Lots of parking – 40 acres (but in the wrong places)
- Social service clients lack of dignified space (bathrooms or gathering)
- The convenience store on Jefferson Ave
- Need more retail density
- No sense of arrival or neighborhood identity
- Over half of the area is property tax exempt

Opportunities

- 30% of land has one owner
- Madison Heights is in an opportunity zone, qualifies for new market tax credits, and is in a qualified census tract for low income tax credits this will help with capitalization of developments because subsidies are available. No existing TIF.
- Madison Heights is in the MMDC and the DMC boundaries for programs and incentives.
- Beauregard Properties – under contract and the developer does not know yet what they are going to do – could be a partner.
- Southern College of Optometry (SCO) – 60-70% of their 550 students are women. 70% of students live on Mud Island. Many would live in the area if quality options existed.
- New developments proposed by KRN Development and SCO.
- Potential of a great partnership... SCO has the economic buying power + church owns critical pieces of land + Methodist Hospital + Catholic Charities = The Future

Threats

- Growth west of Interstate
- Crime/Safety
- Aggressive Panhandling
- Blighted Properties/Abundance of Litter
- Overlooked when compared to Crosstown, Edge District, Overton Square, Midtown



- Uncooperative property owners

Following the SWOT analysis, the Panel deliberated and came up with recommendations to answer the questions surrounding Madison Heights future development. They presented their recommendations to the client virtually on a Zoom call.

Recommendations from the Panel

After their review of the briefing book, the guided tour, and presentations from neighborhood stakeholders, the panel decided the best strategy for the Madison Heights Neighborhood is to focus on three categories for growth:

1. **Welcome:** The neighborhood can be more attractive and inviting with a streetscape plan for Madison; wayfinding and signage to increase visibility and redefine the area; cleaning up the neighborhood and encouraging connectivity by removing barriers (such as fences).
2. **Amplify the Voice:** Organize to have an aligned voice of Madison Heights stakeholders (residents, businesses, and institutions). An alliance should be formalized to represent Madison Heights in larger efforts as well as to organize the multiple interests into a united voice.
3. **Develop around existing assets:** Real estate development should use 3.0 as a planning guide to focus on mixed-use including micro-retail and housing (including affordable housing). The area has a need for gathering spaces such as parks, coffee shops, etc. and spaces for clients of social service organizations to gather with dignity. There is current housing demand from SCO students who would live in the neighborhood if quality options existed.

All three of these growth areas are described in further detail with more suggestions from the panel.

WELCOME: MAKE THE NEIGHBORHOOD MORE INVITING

The first recommendation was to improve the physical attributes of the neighborhood to make it more inviting. Suggestions were:

- Implement Streetscape Improvements to improve walkability. Consider lighting, sidewalks, retail signage, remove fences, cleaning up and security.
- Increase open space to provide basic amenities, green space, and locations for future development. Explore existing sites that could be acquired. Encourage connectivity by removing barriers and potentially closing small streets
- Improve wayfinding signage to define gateways into the Neighborhood and directional signage to drive people to common spaces.
- Explore opportunities to increase public art in the neighborhood. Socially engaged art projects can enhance the community outreach of the church and MMDC. They create resident and stakeholder buy-in and ownership. The process can build relationships to support a sustainable alliance as discussed below.
- Address public safety through cleanliness and improved lighting.

AMPLIFY THE VOICE: ORGANIZE TO HAVE AN ALIGNED VOICE

There are many groups with common interests that should advocate for the area:

Religious Groups: Mississippi Boulevard, Sacred Heart Catholic Church, Catholic Charities, Young Life, Disciple of Christ Church

Service Groups: Manna House, Friends for Life, Society of St Vincent de Paul, Good Shepherd Health Pharmacy, Adult and Teen Challenge Mem-



phis, Social Security Administration, Catholic Charities

Restaurants: From Madison & the Interstate eastward to Madison Ave & Cooper St is 1.5 miles with over 30 unique restaurants. The businesses could work together as a Madison Heights Group or join an existing group like the Madison Business Association which focuses on the Overton Square area.

There are two existing hotels in the neighborhood that should be engaged as anchors and the Vietnamese Community should be engaged as well.

Other than the MMDC (which has a focus on the institutional entities in the area) there is not an organized group of stakeholders in the area. This is an opportunity to create an alliance of stakeholders to promote, advocate, inform of happenings, and address opportunities/threats in the area. The Church and MMDC could lead the efforts to convene this group to:

- Strengthen relationships with existing partners and identify new ones; represent Madison Heights to MMDC
- “Check in” with the neighborhood frequently to solicit needs, opportunities, challenges, etc.
- Host events, such as Memfix, to solicit ideas, thoughts, opinions and feedback for the future and needs of the area.
- Serve as the communication hub for the neighborhood. Be a source of information via multiple communication channels (Zoom, email, in person meetings) about happenings in the neighborhood.
- A Madison Heights website could promote local businesses/services, share the history of the neighborhood, connect neighbors to incentives & programs, and conduct neighborhood surveys.
- Offer programming such as financial literacy training, leadership development training for small business owners, workshops on incentives, funding, etc., business operations (owning vs. renting your space), pros and cons, assist on negotiating contracts, leases.
- Offer trainings to prepare a workforce to participate in all phases of the neighborhood development: how to be part of building a park, construction, etc. (Explore a relationship with Moore Tech to accomplish this.)
- Promote Economic Development and Workforce Development.
- Explore becoming a Community Development Corporation.
- Idea: Summer Avenue has a 3-mile stretch named the Nations Highway working through the Summer Avenue Merchants Association. They have signs and flags. Could something like this work on Madison or at the Madison/Cleveland intersection?

DEVELOP AROUND EXISTING ASSETS

There is a lot of opportunity for real estate development in the area and Mississippi Boulevard owns 30% of the land. This puts them in a unique position to drive the neighborhood’s overall development. The suggestions below are categorized into sections: what needs to be done first; the “easier”/low hanging fruit projects in the neighborhood; and what types of developments should be long-term goals.

TO DO FIRST:

1. **Complete a parking study.** So much of the existing land is parking and there is too much overall, yet there is not convenient parking in some key places in the neighborhood. A study would illuminate: How much parking is needed? Is there an opportunity to share parking? What existing parking could be converted to greenspace?
2. **Right-size the Church Facilities.** The roles and programs of churches are changing across the country. A study needs to be completed to determine what is the right-size for the church to operate at this location in



Recommendations from the Panel (continued)

the future and its uses, physical and programmatic.

3. **Enhance the Convenience Store:** The existing store is important to the neighborhood and if cleaned up and re-merchandized it could be a stronger asset for the residents. (The MMDC has worked with business owners to do this in the past and could be a resource.)
4. **Develop a Master Plan:** Use the results of the different studies to put together a plan for the green space and residential development in conjunction with SCO, Mississippi Boulevard, Methodist University Hospital, Catholic Charities, and other neighborhood anchors.
5. **Connect to RegionSmart's Emerging Developers Program and expand MMDC's initiatives into Madison Heights** in a deliberate fashion.

LOW HANGING FRUIT:

- Participate in and promote the Jefferson Ave Corridor Road Diet
- Connect to infrastructure projects like the Madison Trolley and Union Avenue Bus Rapid Transit Project
- Support existing development projects: SCO, KRN Development, Beauregard, and the park
- Redo streetscape at Madison Ave and Jefferson Ave
- Add public restrooms
- Create more parks & green space



LONG-TERM:

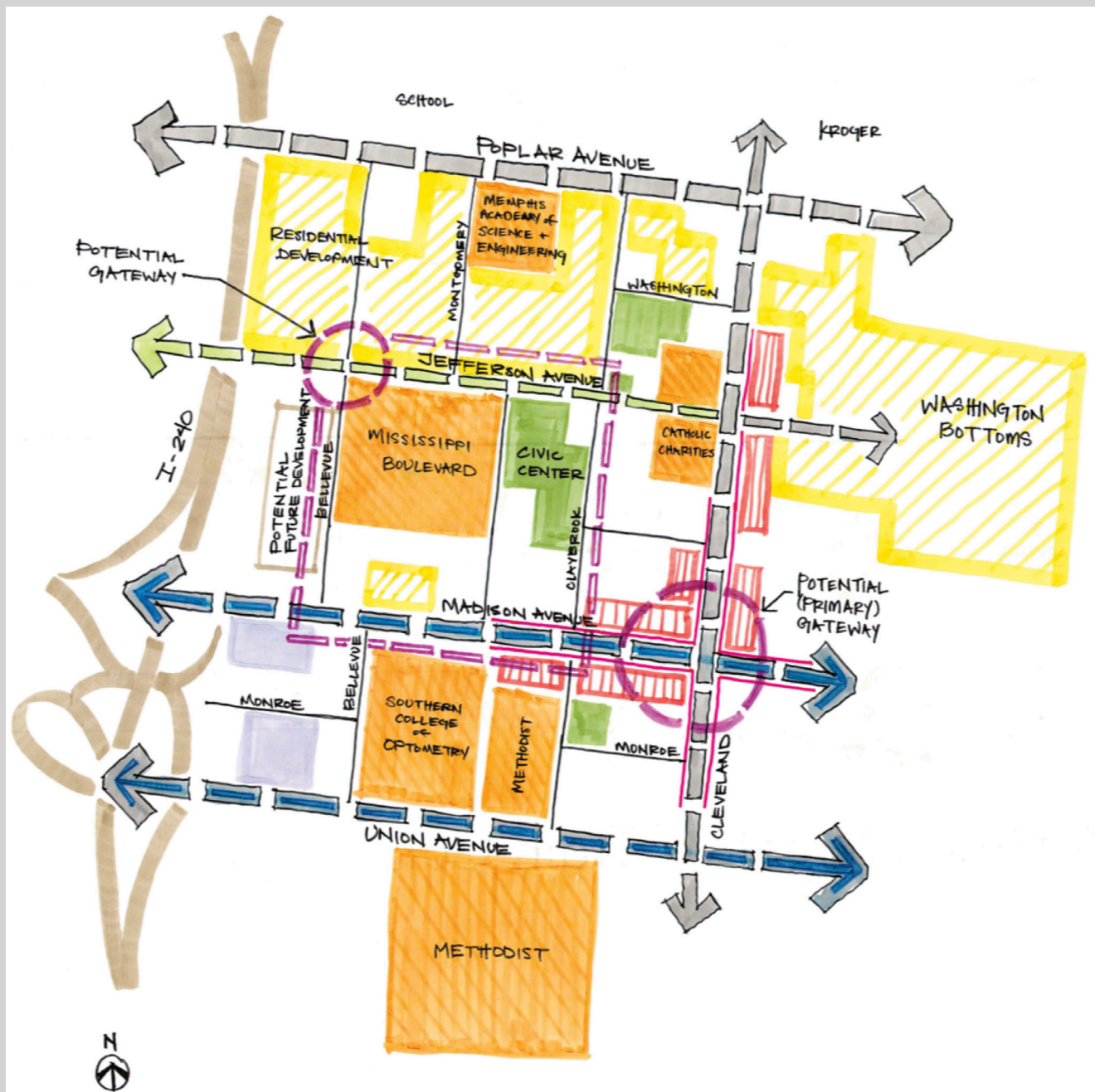
- Neighborhood anchors should work together to create an Equitable Development Plan that includes property acquisition strategies to sustain local businesses and new development.
- Focus on mixed-use developments taking micro-retail and affordable housing into consideration.
- There is a need and an opportunity for additional quality affordable housing in the neighborhood.
- A "One Stop Shop" goal for identifying the right retail mix so customers can stop one place in the neighborhood and get several errands/tasks completed (coffee shop, laundry, convenience store items, etc).
- The church properties could support and accommodate a Neighborhood Civic Center concept that centers around an open public park space that provides public amenities for transient population and connects the community as a walkable neighborhood. The Education assets in the neighborhood are strong prospects for partners in this endeavor.
- Retail Suggestions for Madison Heights:
 - Coffee Shops
 - Sandwich Shop
 - Dry Cleaners/Laundromat
 - Family Owned Restaurants
 - Donut Shop/Bagel Bar



- Cider/Wine Bar
- Place to get a beer
- Insurance Office
- Patios on Existing and Future restaurant spaces
- Merchandising plans for existing retail & future retail
- Work with existing retailers to improve their business

Overall the panel felt the key to Madison Heights is to focus on its location and affordability. The neighborhood's history, residents and anchor tenants are integral to this strategy. The panel felt that emphasizing this area as opportunity for entrepreneurial businesses to get their start would be an asset. With strong anchor tenants and partnerships with neighboring influences Madison Heights is positioned to be move forward and be a model for neighborhood revitalization.

The panel recommends targeting the neighborhood areas as this map demonstrates.



Recommendations from the Panel (continued)

During the presentation to the client everyone on the call was asked to share an affirmation of the process. Here they are:

Jim McCullough : Love Madison Heights!

Shay Stevens : We can make magic happen together with all voices.

Stacy Early : Everyone is awesome!

Shawn Massey : enjoyed hearing the different aspects of how to build a neighborhood beyond his expertise.

Andre : Thanks for the in depth coverage of the area and its amenities

Chooch Pickard : Excited to see some movement in this area!

LRK : Let's make a good plan great!

Anna Holtzclaw : Awesome panel to work with

Darrell Cobbins : Equity. Opportunity. Accessibility. Affordability. Glad these all came up this week in our deliberations.

Tony Bernil: This Has A Great Opportunity of Being Something Great & Special! It Depends On Us.

Stacy Early : Also, honored to work with and talk to so many passionate, smart, caring folks!

James (M&M) Maclin: It's an exciting time...

Ben Schulman : Grateful - for your work, thoughtfulness, and for designing an uplifted Madison Heights that is equitable and inclusive for all

Mariko Krause: It's encouraging and exciting to see and hear how everyone's perspectives can unify Madison Heights. Thanks, All!

Sponsor/Clients: MMDC & Mississippi Boulevard Christian Church

The **MMDC** is a community development organization working with partners to strengthen the communities in the Memphis Medical District so that they are more livable, vibrant, prosperous and equitable. MMDC is involved in over 20 programs and initiatives in the District. MMDC has been an integral part of prior planning and activation exercises in Madison Heights, helping convene community-driven programs such as MEMFix and Creatives in Immersion with High Ground News. MMDC also offers continuous small business assistance in the neighborhood through its incentives and grants program.

Mississippi Boulevard Christian Church, lovingly known as “The BLVD”, is a church in Memphis, Tennessee. Their doctrine and namesake, Mississippi Boulevard Christian Church (Disciples of Christ), provides the foundation for their vision. They are a church leading, learning, living and loving without limits, just as Jesus Christ. (Ephesians 3:20 ESV)

Panelists Professional Biographies

Chair: Jim McCullough, SunTrust now Truist

Darrell Cobbins, Universal Commercial Real Estate, LLC

Stacy Early, Literacy Mid-South, and Independent Artist

Rachel Helton, LRK

Aziz Housseini, SAGE

Shawn Massey, The Shopping Center Group

Dr. Todd Richardson, Crosstown Redevelopment Cooperative

Shay Stevens, Center for Transforming Communities

Lauren Tolbert, LRK

Darrell Cobbins established Universal Commercial Real Estate, LLC, a licensed commercial real estate firm, in 2007. He serves as President & Principal Broker. Previously, he served for six years (2001-2007) as Vice President at Cushman & Wakefield/Commercial Advisors, LLC, a top-tier Memphis firm, where he worked in commercial real estate brokerage and corporate real estate advisory services, serving many of Memphis' most notable corporations and institutions. Darrell was also previously in economic development with the Memphis Regional Chamber of Commerce from 1999-2001, where he was Senior Resource Development Officer, and at Guardsmark, Inc, serving as Unit Manager, beginning his professional career immediately after undergraduate studies. Cobbins possesses a strong background in commercial and corporate real estate, as well as economic development. Combined with his commitment to client service and civic leadership, Darrell makes a tremendous contribution to the company's professional and community service to small business, corporate, non-profit, and government clients.

Stacy Early is the Adult Program Director for Literacy Mid-South, and owner of 51 Paws Pet Sitting. She previously worked in the marketing department at Whole Foods Market where she leveraged community partnerships with local nonprofits for the company's 5% Day fundraisers and because of those partnerships created the first-ever 10% Day. Stacy was also volunteer coordinator for Sunny Meadows Safe Haven for Pets, served on the marketing committee for the Memphis Farmer's Market, and was Vice-Chair of the board of Mid-South Spay and Neuter Services. She recently started working in social practice art because of her love of stories and the feelings she sees emerge from her Literacy Mid-South clients when they gain the confidence to tell their stories. The power of those stories can empower people to create change. She has had the opportunity to work with local artists and the Memphis Medical District Collaborative on projects that involve the community in the entire process to ensure the outcome reflects them and their interests. Current projects are Right 2 Health and Free the Vaccine campaigns that focus on equity in healthcare via free and affordable vaccines and treatment for all in reference to COVID-19.

Rachel Helton joined LRK's Memphis office as a planner in August 2019. During her time at LRK she has played a role in several local planning projects including the Poplar Corridor Study, in which the team worked with public and private stakeholders to create a series of implementation strategies to align and coordinate investments along the Poplar Corridor between Front Street and I-240. Rachel received a Bachelor of Architecture from the University of Kentucky and Master of Architecture from the University of Tennessee, Knoxville. Prior to joining LRK Rachel received hands-on experience in the field while interning with several design firms in both Tennessee and Kentucky. Rachel enjoys working on projects ranging from master planning to historic preservation.

Aziz Housseini was recognized by the Baltimore Business Journal as one of Baltimore's "Top 40 Under 40", Aziz has proven to be a creative and persistent problem solver. With a BS in Information Systems from UMBC, Aziz approaches challenges with the analytical precision of computer code and the fluidity of an ever-changing landscape. Having started his development career at the Druid Heights Community Development Corporation, Aziz has gained an appreciation for the impact of his work and always looks for a way to create equitable success for all stakeholders in a project. As the Founder and CEO of SAGE Asset Partners, Aziz leads the firm's efforts in identifying new opportunities and forging new partnerships. Aziz also focuses on making sure that the firm utilizes the latest technology in order to provide the most efficient internal operations and a best-in-class experience for development partners. As a technology driven real-estate development company, SAGE Asset Partners leverages its intellectual capacity and relationships to create developments that address physical and social challenges of communities.

Shawn Massey, CCIM, CRRP, ALC, joined the Memphis Office of TSCG in 2003 and became a partner in 2008 to focus on shopping center leasing and tenant representation. He has 33+ years combined experience in the commercial real estate industry and he has been involved in every phase of an asset's life cycle. In the urban and rural markets Shawn has led the retail leasing effort on a variety of retail projects from large power centers, mixed-use developments including; Crosstown Concourse, The Lake District, Binghampton Gateway to single tenant buildings. He works with tenant clients looking for high performing retail sites and Landlord's in providing a dynamic leasing program for their properties. Shawn has a BBA in Marketing and a MBA in Finance and Real Estate from The University of Memphis. Shawn is an adjunct professor at The University of Memphis where he teaches the master's level class in Real Estate Development & Sustainability and Investment. He has served on various boards in Memphis including Habitat for Humanity, the Binghampton Development CDC Retail Committee and Youth Visions. Shawn is a founding board member and past Chairman of the Board for the Memphis Business Academy charter schools (K - 12th grade) in the Frayser area of Memphis. He is the 2019 MAAR Commercial Council president. He is a member of Christ United Methodist Church. His wife is Price Phillips Massey and he has two children, Amanda and Matthew.

Jim McCullough is the Senior Vice President for Commercial Real Estate lending in the Memphis market. In this role, Mr. McCullough is responsible for delivery of SunTrust's platform of products, services and custom financial solutions to privately own commercial real estate developers and investors located principally within the Memphis area. Commercial Real Estate transactions have included multifamily, industrial, retail, hotel projects as well as projects with environmental issues and special purpose projects such as theaters, irradiation facilities and cattle ranches as well as review of bank portfolios to be purchased. Jim has been with SunTrust 30 years, all in the Memphis market. He has been involved in the financing of the renovation of the former Sears Crosstown project, the former Chisca Hotel in downtown Memphis, numerous apartment projects as well as hospitality projects throughout the southeast.

Dr. Todd Richardson is the President of Crosstown Redevelopment Cooperative and co-founder of Crosstown Arts. Since 2010, he has led the transformation of the historic, 1.5 million-square-foot Sears Crosstown building into a vertical urban village anchored in arts, education and healthcare. Now known as Crosstown Concourse, the \$210 million project is 98% leased and recently received the Rudy Bruner Gold Medal Award for Urban Excellence, Richard H. Driehaus Foundation National Preservation Award by the National Trust for Historic Preservation, and was a finalist for the 2019 Urban Land Institute Global Award for Excellence.

Shay Stevens is currently the managing director for Center for Transforming Communities (CTC), a community development organization focused on equity and cultivating community democracies. Previously, Shay was a management consultant who managed special projects for RADish, LLC, a cultural event production compa-

Panelists Professional Biographies (continued)

ny that specialized in local and international arts and cultural programming and community engagement. Her clients and projects included the historic Artes de Cuba festival at the Kennedy Center and the Smithsonian Folklife Festival's Crafts of African Fashion initiative. Shay currently serves as a board member for United Housing Inc. and Caritas Village in Memphis.

Lauren Tolbert is a native Memphian with a Bachelors of Architecture from the University of Tennessee: Knoxville, as well as a Masters in Urban Design from Ball State University. Lauren joined LRK's Memphis office in 2014 and her experience includes multiple aspects of project delivery including concept design, project design and construction administration for adaptive reuse, mixed-use, and multi-family projects. Lauren strives to understand the needs of LRK clients first; and then responds by providing design solutions that combine creativity, efficiency and cost effectiveness. Lauren's hands-on approach and clear communication skills ensures projects run smoothly from schematic design through construction administration. Lauren also currently serves as the President of the new The Village South Memphis CDC which aims to improve the quality of housing, life, and community infrastructures to create safe & thriving neighborhoods in South Memphis.