Driving Economic Development

It is EDGE’s vision that all people in Memphis and Shelby County should have opportunities for economic prosperity.

Since the launch of EDGE in 2011, we have been working to make that vision a reality. We have focused on building a solid foundation for streamlined incentives and other competitive financial tools. Entering our sixth year, we now embark on a broader agenda to advance local economic development. EDGE is concentrating development efforts around five main areas: boosting industrial development, bolstering small business expansion, accelerating neighborhood revitalization, fostering regional collaboration, and leveraging the International Port of Memphis.
Q3 2017 Projects

1. Champion’s Pharmacy and Herb Store
2. NuVasive, Inc.
3. Park Place Recycling & Logistics
4. Sedgwick Claims Management Services, Inc.
Memphis is home to 47 medical device companies that employ more than 16,800 employees according to the Greater Memphis Medical Device Council. Employment at medical device manufacturers ranges from assembly work to industrial engineering to sales representatives (TheMemphisEconomy.com, 2017). Collectively, these companies provide a $2.6 billion economic impact to Memphis and Shelby County.

Adding to the medical device manufacturing community in Memphis and Shelby County is San Diego, California-based NuVasive, Inc. Under corporate pressure to consolidate the Memphis location with another office, NuVasive worked with EDGE.

Through the assistance of an eleven-year EDGE Jobs PILOT, NuVasive will invest an additional $116 million and add 15 new employees to the existing 180-person staff at the Memphis regional office and distribution facility located at 4670 East Shelby Drive. EDGE Staff projects $5,050,295 in local total tax revenues to be received during the PILOT term and $637,065 to be spent with certified minority and women-owned business enterprises and certified locally-owned small businesses.
Sedgwick Claims Management Services, Inc.
Expansion PILOT (Payment-In-Lieu-of-Taxes)

The Economic Development Growth Engine (EDGE) Board of Directors approved a 15-year Expansion Payment-in-Lieu-of-Taxes (PILOT) for Sedgwick Claims Management Services, Inc.

Founded in 1969, Sedgwick Claims Management Services, Inc. is a leading global provider of technology-enabled risk and benefits solutions. Sedgwick delivers cost-effective claims management, risk consulting, and other services through the dedication and expertise of more than 14,000 colleagues in some 275 offices located in the United States, Canada, U.K., and Ireland.

For the terms of this PILOT, Sedgwick will retain 865 jobs, create 130 new jobs, and make $33 million worth of capital investments to its new global headquarters located at 8155 T & B Boulevard. Sedgwick is also required to spend at least $4 million with certified minority and women-owned business enterprises and certified locally-owned small businesses. PILOT analysis projects a total of $72.3 million worth of local tax revenues generated by the PILOT across the 15-year term.

“With space available at Sedgwick facilities in Atlanta, Chicago, Columbus, Dallas, LA and Portland, we know the firm had a number of low-cost options to consider,” said Reid Dulberger, President/CEO, EDGE. “Retention and growing Sedgwick headquarters in Memphis is testimony to the quality of their local staff, our community’s strong business infrastructure, and our ability to compete successfully for leading companies.”

Joining a growing list of exceptional corporations that have chosen to remain and expand their corporate headquarters in Shelby County, Sedgwick’s relocation and consolidation of its global headquarters represent a recommitment to the community and further positions Memphis and Shelby County as a thriving and business-friendly environment. Some recent corporate headquarters relocation and expansion projects include Evergreen Packaging, International Paper, LEDIC, and ServiceMaster.

- 995 Jobs
- $53,385 Average Salary
- $33.5 million Capital Investment
- $4,164,815 MWBE/LOSB Spending
- $72.3 million New Tax Revenue
Champion’s Pharmacy & Herb Store (2369 Elvis Presley Boulevard), a family-owned business started by Dr. Charles Champion in 1981 and now owned by his daughter, Dr. Carol Champion, was approved for a $20,000 EDGE Inner City Economic Development (ICED) Loan. The ICED Loan Program's purpose is to spark revitalization of Memphis inner-city neighborhood business districts through small forgivable loans to assist with building improvements and business expansion.

Located on the edge of South Memphis, Champion’s Pharmacy provides a distinct service to the neighborhood by working largely with uninsured area patients. Champion’s Pharmacy also ships herbal treatments to customers worldwide through online sales. Dr. Champion applied for assistance to help complete a full restoration of the 2,635 SF building, update the façade, and improve accessibility.

The project is supported by the Black Business Association, Mt. Olive Cathedral CMW Church, and the neighboring Coney Island restaurant. Total project costs are estimated to be $33,600 excluding interior improvements already underway.

“EDGE is pleased to assist Champion’s Pharmacy, a longstanding community business,” said John Lawrence, Senior Economic Development Specialist. “Champion’s Pharmacy has proven to be a good steward of the neighborhood. While EDGE’s ICED Loan program provides a small amount of financial support, it is the commitment from Champion’s and the support from the community that work together to make this project a success.”

- Loan Approved: $20,000
- Total Capital Investment: $33,600
- Total Jobs: 4
Mr. Fred Spikner never really considered himself an environmentalist. Since college, Spikner has been working as a commercial screen printer and embroiderer and opened his own facility in Midtown Memphis. It was not until a choice turn down the street in South Memphis in 2014 that Spikner became interested in cardboard recycling.

As owner/operator of Park Place Recycling & Logistics, Spikner processes paper and cardboard from commercial users within a seven-mile radius around the 30,000 SF facility located on East Georgia Avenue. The company facilitates container stuffing, warehouse storage, document destruction, and domestic and export shipping to end users.

Park Place Recycling has grown its revenues by taking advantage of new sorting technologies, enabling the company to meet the customers’ need to reduce waste disposal fees.

Mr. Spikner received a $20,000 Inner City Economic Development (ICED) Loan to help improve fencing, lighting, and loading dock doors at his facility located at 815 East Georgia Avenue. Total project costs are estimated to be $30,000 excluding interior improvements already underway. The loan will help the business increase sales by 25% to 35% across the next few years, retain ten employees, and create five new jobs. The project is supported by the Stone Community Development Corporation who applauded Mr. Spikner for bringing an abandoned building back to life, hiring people from the neighborhood, and the workforce training program.

- Loan Approved: $20,000
- Total Capital Investment: $30,000
- Total Jobs: 10

40 ICED Borrowers (as of 3.31.17)

$909,418 ICED FUNDS

$3.2 MILLION CAPITAL INVESTMENT

296 JOBS
Elvis Presley’s Memphis Opens

On Wednesday, March 2, 2017 local dignitaries and hundreds of Elvis fans alike joined together to celebrate the opening of Elvis Presley’s Memphis, a 200,000 SF entertainment complex featuring museums, restaurants, gift shops, and more. Just part of a $137 million, three-phase development project for Graceland, collectively this project will serve as the catalyst to the redevelopment of Memphis’ Whitehaven neighborhood.

Approved by the EDGE Board of Directors, Shelby County Commission, Memphis City Council, and the State of Tennessee, the project will have an estimated economic impact of nearly $1 billion with more than $50 million in additional tax revenue created and more than 500 new jobs in Memphis and Shelby County.

“The entire Graceland redevelopment is projected to generate more than 500 new jobs, $1 billion-plus of economic impact, and more than $50 million worth of additional tax revenue for Memphis and Shelby County, “says Reid Dulberger, EDGE President/CEO. “We are excited to see these plans become a reality to further spark the redevelopment of the surrounding areas.”
Periodically, the EDGE PILOT portfolio is reviewed by a third party source to assess the projects’ performance in terms of job creation, expenditures with certified minority and women-owned business enterprises and certified locally-owned small businesses, along with total capital investments. At the time of the review, all active and eligible for inspection EDGE PILOT projects exceeded all commitments.

72 EDGE PILOTs in the portfolio
- 49 active and eligible for inspection or evaluation
- 16 active in ramp up period (projects still in the process of creating jobs and investing in capital assets)
- 7 pending (PILOT incentives have been approved, but leases have not been executed; PILOT projects have not closed yet)

PILOT Portfolio Performance as of December 31, 2015*

- **JOBS**
  - Committed: 9,875
  - Achieved: 14,815

- **CAPITAL INVESTMENT**
  - Committed: $2.7 Billion
  - Achieved: $3.1 Billion

- **MWBEs/LOSBS SPEND**
  - Committed: $17 Million
  - Achieved: $28 Million

*Data for PILOTs that are active and eligible for inspection as of 2015*
International Port of Memphis

Presidents Island Rail Plan Update

After issuing a request for proposals in October 2016 for qualified and experienced railroad operators to provide rail transportation services to rail customers located on Presidents Island, eight qualified firms responded. Within the next few months, a decision will be made as to whether one of the firms will be selected or the Port may look at operating the railroad switching operation.

Public Dock Update

EDGE and The Memphis and Shelby County Port Commission issued a Request for Qualifications for the joint development and operation of the Port of Memphis terminal, a 41.9-acre water fronted rail, barge, and truck terminal located in the Presidents Island Industrial Complex. The facility is located along 2,412-feet of the McKellar Lake slack water harbor on the 1,000 acre Presidents Island industrial complex in the Port of Memphis.

The site has 5,363 feet of rail track with room for expansion and includes access to five class-I railroads in the Memphis area. The facility is 1.5 miles from Interstate 55 and 7.5 miles from Interstate 40. The facility waterfront is 5.68 miles from the Mississippi River within the McKellar Lake still water harbor project. The McKellar Lake Harbor is maintained by the U. S. Army Corps of Engineers under the jurisdiction of the Mississippi Rivers and Tributaries Act.

Firms may request consideration by submitting a letter of interest and a statement of qualifications to: Memphis and Shelby County Port Commission, 1115 Riverside Blvd., Memphis, TN 38106. All letters of interest and 6 copies of a statement of qualifications must be received by the Port by 2:00 p.m. (Central Time) Wednesday, May 31, 2017 to be considered responsive.

Firms may tour the site by contacting the Port Commission office and scheduling a tour with the Port Operations Manager, Sam Small. Firms are encouraged to submit written questions related to the services to be provided by May 19, 2017. Questions from all firms will be combined and answers will be sent out immediately following the deadline on May 19, 2017.
DEVELOPMENT ASSISTANCE PROGRAMS:

Financial Incentives
• Payment-in-Lieu-of-Taxes (PILOT)
• Tax Increment Financing (TIF)
• Foreign Trade Zone 77

Economic Development Finance
• EDGE SBA 504 Loan Program
• Inner City Economic Development Loans
• Industrial Revenue Bonds
• Tennessee Fast Track Economic Development Grants

Small Business Support
• Economic Gardening Program
• SBA Emerging Leaders Program

EDGE MANAGED ENTITIES

• Industrial Development Board of the City of Memphis and County of Shelby, Tennessee
• Memphis and Shelby County Port Commission
• Depot Redevelopment Corporation of Memphis and Shelby County

EDGE INDUSTRIAL PROPERTIES

• Presidents Island
• Frank C. Pidgeon Industrial Park
• Depot
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- Al Bright, Jr., Chairman
- Thomas Dyer, Vice Chairman
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- Mark Halperin
- Jackson Moore
- Johnny B. Moore, Jr.

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**Vice President, Port and Industrial Properties**

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- Carmen Franklin, Sr. Administrative Assistant
- Eric Harris, Crew Person
- John Lawrence, Senior Economic Development Specialist
- Emmett McKnight, Economic Development Specialist
- James Parker, Crew Chief
- Danielle Schonbaum, GMACW
- Sam Small, Operations Manager
- Mark Summerford, Crew Chief