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.
Q4 2017 Projects

1. Nucor Steel Memphis, Inc.
2. Ebrofrost North America, Inc.
3. Cargill, Inc.
4. NouriTech
5. Neighborhood Docs
6. Frayser Gateway
7. Orca Printing
8. HopeWorks
The EDGE Board approved a five-year Jobs PILOT for Nucor Steel Memphis, Inc., a wholly owned subsidiary of Nucor Corporation. Nucor Steel Memphis, Inc. will create 15 new positions with an average annual base salary of $56,333, excluding overtime and benefits, and complete more than $8.1 million worth of capital investments to a manufacturing facility located at 2315 Pier Street.

Nucor Corporation and its affiliates manufacturer steel products with operating facilities primarily in the U.S and Canada. The products offered include carbon and alloy steel—in bars, beams, and sheets.

As a special bar quality mill, Nucor produces steel to a customer’s specifications. Nucor plans to expand operations by offering additional value added services to its steel manufacturing. Such services include: boring, cut-to-length, polishing, grinding, turning and straightening of steel. Currently, these services are being outsourced to a group outside Memphis and Shelby County. The PILOT will enable Nucor to expand operations by offering these services in Memphis and Shelby County.

15 Jobs
$56,333 Average Salary
$8.1 million Capital Investment
$133,963 MWBE/LOSB Spending
$595,493 New Tax Revenue
The EDGE Board approved a seven year Jobs PILOT for Ebrofrost North America, Inc. Ebrofrost North America, Inc. will create 16 new positions with an annual average base salary of $48,477 excluding overtime and benefits, and make more than $25 million worth of capital investments to a processing facility located at 2360 Prospect Street.

The company is a wholly-owned subsidiary of the largest rice and second largest pasta manufacturer in the world. This facility will be the equivalent of three similar operations in Europe that process and distribute IQF (Individually Quick Frozen) rice, pasta, and grain products.

The PILOT will enable Ebrofrost to co-locate with its sister company, Riviana Foods, and access Memphis’ central distribution advantages. In addition to warehouse space, the company will build a clean processing area and a flash freezing area as part of the manufacturing operation. The PILOT will also enable the company to renovate an existing facility in Memphis that fits their needs, construct vital new manufacturing components and hire new employees.

**Ebrofrost North America, Inc.**

Jobs PILOT (Payment-In-Lieu-of-Tax)

- **16 Jobs**
- **$48,477 Average Salary**
- **$25.9 million Capital Investment**
- **$3 million MWBE/LOSB Spending**
- **$1.6 million New Tax Revenue**

Q4 2017 | PROJECTS
Cargill, Inc.
Jobs PILOT (Payment-In-Lieu-of-Tax)

Teh EDGE Board awarded Cargill, Inc. a six-year Jobs PILOT that will enable the company to create 24 Net New Jobs with an average base salary of $60,417 excluding benefits. Cargill will invest $20 million worth of manufacturing and machinery equipment at their facility located at 2330 Buoy Street facility.

Cargill’s existing Buoy Street facility located on Presidents Island is comprised of 24.8 acres. Cargill plans to make significant updates to the property in order to modernize and aid plant efficiency.

The PILOT will enable Cargill to optimize the corn germ network in order to aid extraction plants supplying crude corn oil to the oil refinery. The personal property investment will bring current assets up-to-date and improve plant efficiency. The investment will make the Memphis facility more efficient and operational for the future.

Prior to EDGE’s formation, in 2010 Cargill was awarded an eight-year Retention PILOT which would have enabled them to retain 370 jobs, create 27 net new jobs, and invest $72 million at its facility. However, in January 2015, Cargill surrendered the tax incentives when it closed most of its Memphis corn milling production due to transportation costs and its distance away from Corn Belt suppliers. Since then, the corn-processing facility has been operating with a nominal staff of 41 employees.

Founded in 1865, Cargill, Inc. produces products used in the production of animal nutrition, food and beverage, and agriculture industries.
The EDGE Board approved a twelve-year JObs PILOT for SPV-NA1, LLC (dba NouriTech), a joint venture between Calysta, Inc. and Cargill, Inc. NouriTech will invest a total of $120 million in capital investments, create 66 new jobs with an average annual salary of $62,955 excluding benefits, and spend more than $25 million with City of Memphis-certified minority and women business enterprises (MWBEs) and Shelby County-certified locally owned small businesses (LOSBs). An estimated $14 million in local tax revenues will be collected across the PILOT term.

Calysta, Inc. is an innovator in sustainable products designed to improve worldwide food security. Calysta Inc. develops and commercializes FeedKind® protein, a sustainable, traceable alternative feed ingredient for fish, livestock, and pet nutritional products. The product was invented by a Norwegian oil and gas company and enjoys widespread use as feed for farmed salmon in Norway. The facility will convert and utilize methane to produce FeedKind®.

Once completed, the Presidents Island facility will be the world’s largest gas fermentation facility and will serve as the manufacturing, production, and distribution site for this innovative and new commodity. If the operation proves successful, the plant will be expanded substantially.
Neighborhood Docs
Community Builder PILOT (Payment-In-Lieu-of-Tax)

The Economic Development Growth Engine (EDGE) Board of Directors approved a 15-year Community Builder Payment-In-Lieu-of-Tax (PILOT) project for Neighborhood Docs located at 2829 and 2833 Lamar Avenue. Neighborhood Docs plans to provide state-of-the-art healthcare services to the surrounding neighborhoods of Cherokee, Bethel Grove, and Orange Mound. The ultimate goal is to impact emergency room misuse by promoting proactive healthcare through access to primary care doctors for both medical and dental treatment.

Established by Joseph C. Greer, DDS, William Terrell, Jr. MD and Rodney S. Meyers, Neighborhood Docs is looking to expand and rebrand the efforts of their existing Good Health Institute that has worked in the area for more than 15 years.

“Presently, we have a dental practice and nutrition center along with an endocrinologist that serve our patients,” said Neighborhood Docs representative, Joseph C. Greer, DDS. “We hope to anchor our expansion with OB/GYN, primary care, and radiology physicians. Our primary purpose is to bring good, quality healthcare to the inner city, and serve as the spark for future neighborhood redevelopment.”

Neighborhood Docs will maintain six existing Good Health Institute jobs, create 36 net new jobs with an average annual base salary of $52,119, and make a capital investment of $3,744,919. The total project investment includes $1,455,000 for the purchase of the property, $1,436,000 for new construction and site improvements, $528,919 to renovate existing space, $75,000 in existing personal property, and $250,000 for new personal property.

The EDGE Community Builder PILOT is designed to encourage redevelopment projects in distressed neighborhoods throughout Memphis and unincorporated Shelby County. Distressed neighborhoods are defined as being in Census Tract areas approved for the federal New Markets Tax Credits Program. The program provides the same incentives that EDGE typically provides to industrial projects, but targets non-profit and for-profit entities investing in urban revitalization.
Frayser Gateway

Community Builder PILOT (Payment-In-Lieu-of-Tax)

With assistance from EDGE, a new grocery and shopping center will help lead the redevelopment of a nearly 20-acre parcel located in a blighted area of Frayser. Project developers, G2 Venture Group was awarded a 15-year Community Builder PILOT to construct a 97,300-square foot grocery-anchored shopping center at 2571 North Hollywood.

The project developers expect to invest more than $16 million into the vacant site that was once home to a Treasury Department Store. The multi-phased development will include a 20,000 to 45,000 square foot full service value grocer (containing fresh meat and produce departments), a 20,000 to 30,000 square foot apparel tenant, 10,000 square foot national value household goods retailer, and multiple smaller retail tenants. Three outparcels will also be developed for restaurant use.

Financial assistance was requested to make the project viable. In addition to removing severe blight from a highly visible location, Frayser Gateway will provide significant benefits to an area of 25,370 households with a median income of $26,698. The grocery will benefit neighborhoods to the South, West, and East of the site that are USDA designated food deserts. Jobs will be created for surrounding neighborhoods suffering unemployment rates of 15% to 30%. The project will create approximately 136 full time equivalent jobs with an average annual average base salary of $23,294.

The Frayser Community Development Corporation and Memphis Business Academy support the project. EDGE staff projects $7,745,475 in local tax revenues to be received during the PILOT term of this project and a $4,472,025 benefit to the Applicant.
Q4 2017 | PROJECTS

Orca Printing

Inner City Economic Development (ICED) Loan

Orca Printing, a new business that plans to specialize in large-format commercial printing and signage, was approved for a $19,000 ICED loan. The company will produce storefront signage, point-of-purchase displays and vehicle wraps. Orca Printing will outsource other services to local print shops in order to provide a complete customer experience. The company will be built on supporting local businesses and is committed to using local suppliers whenever possible.

The loan will help owner Christopher Brunner retrofit a 5,400 square foot building constructed in 1982, build sales by improving the on-site customer experience and employ four people. This loan will enable him to improve the exterior appearance, construct a showroom with restrooms, and install an HVAC system at 1808 September Avenue. Total qualified project costs are estimated to be $28,500.

- Loan Approved: $19,000
- Total Capital Investment: $28,500
- Total Jobs: 4

HopeWorks

Inner City Economic Development (ICED) Loan

HopeWorks provides education, spiritual development, and respect for work through adult education classes and job readiness training. The Summer Avenue location will provide services to Highland Heights and Binghampton.

Represented by Ron Wade, HopeWorks requested and was approved for a $20,000 ICED load to complete restoration of a 13,000 square foot building constructed in 1957. The former bank location is undergoing a full asbestos remediation and interior remodel in order to become a workforce training center.

This project is supported by the Binghampton Development Corporation. The facility will employ 15 people and serve 60 people per week.

- Loan Approved: $20,000
- Total Capital Investment: $43,677
- Total Jobs: 15
Southbrook Towne Center
Qualified Energy Conservation Bonds

EDGE is serving as the conduit issuer of qualified energy conservation bonds to finance a portion of the Southbrook Towne Center-Green Communities Program. Selected to participate in the Memphis Green Communities Program in 2014, the Southbrook Towne Center will make $2.1 million worth of energy conservation installations and improvements to the facility located at 1212 East Shelby Drive. The Memphis Green Communities Program (MGCP) provides grants or loan funds to commercial property owners for energy conservation retrofits.

In partnership with the City of Memphis Division of Housing and Community Development, the program is intended to contribute to an overall reduction in greenhouse gas emissions in the City and reduce operating expenses for local businesses. The funding marks a significant investment in the Whitehaven stalwart that once buzzed with a multi-plex movie theater and retail boutiques.

Hawkins Delafield & Wood LLP is approved as bond counsel to the City of Memphis for the bonds.

- Bond Amount: $2.1 million
- Total Capital Investment: $7.7 million
- Total Net New Jobs: 314
- Total Existing Jobs Retained: 65
TAG Truck Breaks Ground on Commercial Truck Center & Training Facility

2016 EDGE PILOT recipient TAG Truck Enterprises, LLC begins construction on the new 164,000 SF commercial truck center and technician training facility being developed at the former Mall of Memphis property in Memphis. TAG Truck will make more than $27 million worth of capital investments to the property and is projected to provide 203 full-time jobs for people with various skills, education, and experience levels. The property has remained vacant since the mall closed in 2003. The development will include a full-service body shop, retail store and distribution center, along with an expanded technician training facility.

“Redeveloping this long-vacant property marks a major step forward for our community, and we are thrilled to play a role in providing new jobs and economic opportunities for hundreds of Tennesseans,” said TAG Co-Founder and Chief Financial Officer Gary Dodson. “We are also grateful to the Economic Development Growth Engine Board for providing the expertise and assistance needed to move this project forward.”

- Total Jobs: 203 full time with benefits
- Total Capital Investment: $27,810,000
- Projected Tax Revenue: $11,662,339
- MWBE/LOSB Spending: $25,022,926

ServiceMaster Opens “Ground Floor” Innovation Center

On June 15, 2016, EDGE PILOT recipient ServiceMaster opened its new innovation and accelerator center, Ground Floor, at the company’s new global headquarters space. Ground Floor at ServiceMaster is the first area to open in One ServiceMaster Center. The 20,000 SF collaborative workspace will serve as a hub for the company to showcase its businesses and transform the residential and commercial services industry through digital-mobile technology. With rentable co-working space, Ground Floor also will serve as an accelerator for local entrepreneurs and IT developers to create an innovation engine that can attract high-tech talent and investment to Memphis.

Ground Floor is part of ServiceMaster’s new 314,000 SF global headquarters currently under construction in downtown Memphis. The company is renovating the former Peabody Place Mall into Class A office space for more than 900 employees. One ServiceMaster Center is expected to open in the first quarter of 2018.

- Total Jobs: 965 full time with benefits
- Total Capital Investment: $9,300,000 (personal property only)
- Project Tax Revenue: $76,575,081
- MWBE/LOSB Spending: $20,866,875
Prairie Farms Increases Plant Efficiency with PILOT Assistance

In fourth quarter 2017, 2016 EDGE PILOT recipient Prairie Farms (dba, Tuner Dairy) installed a 75-foot tall, 65,000 gallon tank to its facility at 2040 Madison Ave. The tank is part of an $8.8 million capital improvements project that will expand the existing refrigerated warehouse and add a corrugated packaging line; thereby increasing market capabilities and increase efficiency throughout the facility.

Prairie Farms is recognized throughout the Midwest for its array of superior dairy products and exceptional service. Turner Dairy, L.L.C., a branded partner of Prairie Farms, has two processing plants offering a variety of dairy products. The Memphis, Tennessee plant produces a variety of beverages, including a complete line of milks and juices.

- Total Jobs: 159 full time with benefits
- Total Capital Investment: $8,810,800 (personal property only)
- Project Tax Revenue: $8,810,800
- MWBE/LOSB Spending: $1,396,460
Building a Stronger Workforce: GMACWorkforce aligns with EDGE

The EDGE board voted unanimously to accept the Greater Memphis Alliance for a Competitive Workforce (GMACWorkforce) proposal to align itself with EDGE. GMACWorkforce will join the Memphis and Shelby County Port Commission, the Depot Redevelopment Corporation, the Industrial Development Board, and Foreign Trade Zone 77 as entities managed and supported by EDGE. The GMACWorkforce alignment with EDGE will further strengthen the connection between the region’s workforce and economic development efforts and better link local residents to good paying jobs.

“In today’s world, workforce development is one of, if not the most critical factor in the community's long-term economic vitality and the financial success of our citizens,” noted Willie Gregory, immediate past GMACWorkforce Board Chairman and current Director, Sustainable Business and Innovation for Nike. “I’m proud of all that GMACWorkforce has accomplished, particularly in such a short amount of time. As we were building the program, it became increasingly obvious that GMACWorkforce would be even more effective if we could align ourselves with a major economic development organization on the front lines of advancing the City and County's economy. EDGE will be an excellent partner,” said Mr. Gregory

Created in late 2014 as a priority initiative of the Memphis and Shelby County Regional Economic Development Plan, which was administered by EDGE and prepared in collaboration with the Washington, DC-based Brookings Institution Policy Program, and the Greater Memphis Chamber Chairman’s Circle, GMACWorkforce’s mission is to close the skills gap by driving better alignment of training and education programs with employers’ long-term skill requirements along with delivering innovative new strategies and tools to help local citizens successfully navigate career pathways.

International Port of Memphis: Presidents Island Public Terminal RFQ

In May 2017, EDGE and the Memphis and Shelby County Port Commission issued a request for qualifications for the joint development and operation of a 41.9-acre water-front rail, barge, and truck terminal located in the Presidents Island Industrial Complex. The original terminal dock facility opened in 1953. The Port is looking to re-develop the facility into a modern, state of the art, multi-purpose facility.
DEVELOPMENT ASSISTANCE PROGRAMS:

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

Funding Incentives
- 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
- Depot Redevelopment Corporation of Memphis and Shelby County
- Foreign Trade Zone 77
- Greater Memphis Alliance for a Competitive Workforce
- Industrial Development Board of the City of Memphis and County of Shelby, Tennessee
- Memphis and Shelby County Port Commission

EDGE INDUSTRIAL PROPERTIES
- Depot
- Presidents Island
- Frank C. Pidgeon Industrial Park
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