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. In our seventh 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.
Q2 2019 EDGE Projects

1. Mark Anthony Brewing, Inc.
2. Indigo Ag, Inc.
3. Power Transport
4. Scott Street, LLC (dba S2F Performance Labs)
5. Young Men’s Christian Association (Multiple Locations)
Mark Anthony Brewing Company
Fast Track PILOT (Payment-In-Lieu-of-Tax)

Mark Anthony Brewing, Inc. was awarded a ten-year Fast Track PILOT to encourage the company to invest $11,456,473 at 5625 Challenge Drive and create 30 new jobs with an average salary of $37,679.

Mark Anthony Brewing, Inc. is a division of The Mark Anthony Group of Companies, one of North America's most diversified private beverage companies focused on the alcohol beverage sector. In the United States, the Mark Anthony Group pioneered the flavored malt beverage category with the launch of Mike's Hard Lemonade in 1999. Mark Anthony Brewing, Inc. provides supply chain management for The Mark Anthony Group of Companies and is focused on building for the long-term. The company is seeking to accommodate growth and is evaluating options for a large-scale distribution facility.

Mark Anthony Brewing, Inc is also requesting that the EDGE Board of Directors allow for future amendments to the company's application in order to facilitate a possible second phase that would include occupancy of an additional 120,000 square feet for $3,408,675 at 5625 Challenge and creation of twelve additional jobs within the two-year ramp up period.

EDGE Staff projects an estimated $1,827,780 in local total tax revenues to be received during the PILOT term of this project and an estimated $2,325,744 benefit to the Mark Anthony Brewing.

For more information about this project, please visit the EDGE Project Database. http://database.growth-engine.org
Indigo Ag, Inc.
Jobs PILOT (Payment-In-Lieu-of-Tax)

EDGE Board of Directors awarded a 15-year personal property Jobs PILOT and a $150,000 EDGE Cost Reimbursement Grant to Indigo Ag, Inc. With the company’s decision to expand and relocate its corporate headquarters to Downtown Memphis, Indigo will retain 75 employees in Shelby County and create 625 net new jobs with an average salary of $92,313 with employer-sponsored healthcare.

The company will make a personal property capital investment of $1.29 million to its corporate headquarters located at 175 Toyota Plaza and spend nearly $1 million with City of Memphis and Shelby County-certified minority/women business enterprises. Indigo Ag will also make a real property investment of more than $3.9 million which is not included in the PILOT terms.

Indigo Ag improves grower profitability, environmental sustainability, and consumer health through the use of natural microbiology and digital technologies. Utilizing beneficial plant microbes and agronomic insights, Indigo Ag, Inc., works with growers to sustainably produce high quality harvests. The company then connects growers and buyers directly to bring these harvests to market. Working across the supply chain, Indigo Ag, Inc., is furthering its mission of harnessing nature to help farmers sustainably feed the planet.

EDGE Staff projects $42,305,548 in local total tax revenues to be received during the PILOT term.

“Indigo Ag’s decision to expand and locate its corporate headquarters to Memphis, TN will be transformational for the community,” said Reid Dulberger, EDGE President/CEO. “Because of the proximity of Indigo Ag’s customer base and the region’s emerging strength in research technology, Memphis is a strong fit for the company’s expansion.

For more information about this project, please visit the EDGE Project Database. http://database.growth-engine.org
EDGE Board of Directors awarded an eight-year Jobs PILOT to Memphis-based transportation and logistics company, Power Transport.

The PILOT will encourage the company to create 26 net new jobs with an average salary of $62,807 and invest $1,675,000 at 3036 Directors Row, a vacant and underutilized collection of buildings near the Memphis International Airport. Power Transport plans to reuse a portion of the buildings for storage and logistics activities, demolish a portion of the buildings to create additional truck staging space, and renovate the remainder for corporate office functions.

Power Transport is an irregular route truckload carrier based in Memphis, TN founded on service, integrity, and safety. With more than 100 years of combined transportation management experience, Power Transport has dedicated lanes in the Southeast and Midwest United States. The company focuses on medium to short haul regional freight, offering industry leading on-time service.

EDGE Staff projects $860,634 in local tax revenues to be received during the PILOT term.

For more information about this project, please visit the EDGE Project Database. http://database.growth-engine.org
Scott Street, LLC dba S2F Performance Lab
Inner City Economic Development Loan

EDGE Economic Development Finance Committee unanimously approved a $22,000 Inner City Economic Development (ICED) Loan for S2F Performance Lab, a health and fitness program specializing in class-based training for amateur endurance athletes.

The ICED Loan Program’s purpose is to spark revitalization of Memphis inner-city neighborhood business districts through small forgivable loans used to assist with building improvements and business expansion.

Scott Street, LLC, dba S2F Performance Lab (678 Scott Street) is owned and operated by Mr. Brent Barrett and Mr. Robert Fromin. The organization’s goal is to provide a comprehensive training resource center and work with athletes, adventurers on specific skill acquisition, performance improvement, and general physical preparation. Located in The Heights neighborhood on Scott Street, the business currently boasts 70 members; but, expects to surpass 200 members within the next year. S2F Performance Lab applied for assistance to help restore the 9,380 square foot building, update the building’s façade, install two roll up doors at the former loading dock, and update exterior lighting. The project is supported by The Heights CDC (www.heightscdc.org). Total qualified projects costs are estimated to be $56,586.

“It’s always an exciting day when we can celebrate a company’s commitment to investing in areas like The Heights and we are proud to partner with S2F Performance Lab to support growth within these communities,” said Natasha Donerson, EDGE Economic Development Finance Committee Chairwoman.

- Loan Approved: $22,000
- Total Capital Investment: $123,585
- Total Jobs: 6

For more information about this project, please visit the EDGE Project Database. http://database.growth-engine.org
YMCA Bond Issue

EDGE Board of Directors approved issuing $7.5 million of Qualified 501(c)3 Non-Profit Bonds for refinancing of debt associated with the YMCA's multipurpose wellness and education facilities. This funding will benefit the YMCA facilities on Quince, Schilling Farms, Cordova, and in Millington.

EDGE is acting as the legal conduit only; thereby assuming zero risk to EDGE, the City of Memphis, or Shelby County associated with repayment.

The YMCA of the Midsouth focuses on three pillars to benefit our community.

- Youth Development through before and aftercare programs, summer camps and at-risk youth programs.
- Healthy Living through access to fitness facilities, diabetes prevention and help with other chronic diseases.
- Social Responsibility through training and education programs and basic lifesaving skills associated with swimming and water safety.

> Bond Amount  $7.5 million  
> Total Capital Investment  $7.5 million  
> Projected Total Jobs  606

Southbrook Town Center Disbursement

In the October and November 2019, EDGE disbursed two payments totaling $991,882 of the Shelby County Commission’s dedicated $1.5 million to the Southbrook Town Center project. The final disbursement request is under review currently. Approved by the EDGE Board of Directors in June 2017, EDGE also serves as the conduit issuer of qualified energy conservation bonds to finance a portion of the Southbrook Town Center-Green Communities Program.

For more information about this project, please visit the EDGE Project Database. http://database.growth-engine.org
EDGE Named 2018 Distinguished Development Finance Local Agency by CDFA

The Council of Development Finance Agencies (CDFA) awarded EDGE the 2018 Distinguished Development Finance Local Agency Award. EDGE was recognized for tackling particularly complex and challenging financing concerns and the innovation of financing tools. The award was presented at the 2018 National Development Finance Summit, November 7, 2018 in Dallas, Texas.

Created in 1982, CDFA is a national association of state and local economic development organizations that utilize tax incentives, bonds, loans, and other financing tools to stimulate economic growth. The CDFA Distinguished Development Finance Agency Award (Local Agency) is presented annually to an outstanding local development finance agency. In order to be eligible, the local agency must have achieved recent success in the way development finance programs are operated, managed, and administered. The goal of granting the award is to make the excellent work done by local development finance agencies in the economic development industry more widely known and to recognize the impact that these groups have on our national economy.

“This award reflects the foresight of our community’s governing bodies in creating EDGE and letting EDGE do what it does so well – providing opportunities for all people in Memphis and Shelby County to access economic prosperity,” said Jackson W. Moore, EDGE Board of Directors Member.

EDGE PILOT Recipients Outperform Minority Spending Requirements

For the fourth consecutive year, EDGE/IDB PILOT recipients outperformed the anticipated minority/women/locally owned small business spend. PILOT recipients spent nearly $286 million with minority/women/locally owned small firms from 2012-2017, exceeding their commitments by almost $20 million.

A new Minority Spending report covers the activity of 67 firms with active PILOTS approved by either the Industrial Development Board (IDB), now part of EDGE or, since 2011, EDGE itself. Those 67 PILOT recipients contracted with 319 Minority/Women Business Enterprises (MWBEs) and Locally-Owned Small Businesses (LOSBs). The average spend with certified MWBEs was more than $1 million per firm.

Efforts to assist MWBEs and LOSBs through the PILOT program date back to 2001, when the IDB launched its Jobs Plus Optional Program. When that voluntary effort proved unsuccessful, the IDB created a mandatory Diversity Program in 2008. EDGE continued the Diversity Program and subsequently updated it with the Local Business Participation (LBP) Program which, since 2017, focuses exclusively on growing City and County-certified MWBEs.

EDGE SCORECARD

149 PROJECTS

$4.6 BILLION CAPITAL INVESTMENT

Local Tax Revenue
$1,293,732,133

Taxes Abated
$493,795,308

$2.62 BENEFIT-TO-COST-RATIO:
Local taxes per $1.00 of taxes abated

28,753 JOBS

$70,622 average wage

$2,636 incentive amount per job/per year

Local Business Participation
$610,656,183

$1.23 BENEFIT-TO-COST-RATIO:
Spending per $1.00 Tax Abated

Created in 2011 by the City of Memphis and Shelby County, EDGE (Economic Development Growth Engine) provides and coordinates public resources to drive city and county-wide economic development.

2011 - December 2018
Greater Memphis Alliance for a Competitive Workforce (GMACWorkforce)

Making the Connection: National Manufacturing Month

MOVE-HIRE education partners and medical device manufacturers participated in several National Manufacturing Month events during the month of October. Arkansas State University-MidSouth, Southwest Tennessee Community College, along with industry partner Wright Medical hosted hundreds of high school students to discuss advanced careers in manufacturing and machining.

Grant Updates

Department of Labor, Trade Adjustment Assistance Career and Community College Training (TAACCCT) 4 Grant
- Goal: to expand local post-secondary capacity in selected manufacturing and transportation, distribution, and logistics programs
- Grant amount: $9,814,818 as of 09/30/18
- Enrollment: 1,710 participants
- Completed Program of Study: 1,101 participants
- Industry Recognized Credentials (IRCs) awarded: 632 participants earned 2,102 credentials
- 1,072 participants employed or received wage increase
- TAACCCT ended on 09/30/18

Department of Labor, America’s Promise Grant (MOVE-HIRE: Medical device Occupations Value Education and Help in the Regional Economy)
- Goal: to prepare and train unemployed/underemployed individuals in machining, finishing, quality, packaging, logistics, and engineering careers associated with the medical device industry
- Grant amount: $5,992,314 as of 09/30/18
- Enrollment: 186 participants
- Pre-Enrollment: 941 participants
Port Master Plan Navigates the Future of Memphis Economy

A new master plan for the Port of Memphis was presented at a joint meeting of the Memphis & Shelby County Port Commission and EDGE in October. The master plan, led by the Pickering Firm, calls for infrastructure upgrades to Presidents Island and a short, middle, and long-range plan to help maximize the impact of 2,300 acres of under-developed industrial land in the adjacent Frank C. Pidgeon Industrial Park.

The plan offers recommendations for a wide array of topics, including facility expansions, property redevelopment, economic impact, and environmental analysis, as well as target tenant identification in industries such as steel finishing and production, agricultural processing and food production, intermodal logistics and distribution, waste paper and plastics recycling, and empty container or trailer pools.

Currently, the Port of Memphis supports more than 9,000 direct jobs and an additional 13,000 indirect jobs in the Memphis area with an annual economic impact of $9.3 billion to the local, regional, and statewide economies. The potential build out of Frank C. Pidgeon Industrial Park could yield more than 6,000 new direct and indirect jobs, more than $655 million in additional economic impact, and approximately $8 million per year in local tax revenues.

“I believe this is a significant project for us as we seek to repurpose the port and position it for continued use and viability for the next 20 to 50 years.”

Larry Jackson
Port Commission and EDGE board member

Pidgeon Ash Project Update

The Port Commission’s engineering inspection conducted by SSR, Inc. of the former TVA Allen Ash Impoundment Areas located between Paul R. Lowery Road and the Mississippi River was completed in December 2018. The inspection report concluded TVA met and closed all regulatory obligations and permits. A detailed post project site investigation is currently underway. The investigation will provide information necessary for future development of the site, including geotechnical, environmental, and specific location information. The site guide should be complete in mid-February. The Port Commission will undertake management of the former TVA sites on January 1, 2019.
Major Programs

- **Financing**
  - EDGE Impact Fund
  - 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) Incentives
  - Tax Increment Financing (TIF)

- **International Port of Memphis**
  - The Frank C. Pidgeon Industrial Park, Presidents Island, and McKeller Lake
  - Harbor Dredging
  - Port Master Plan

- **Small Business Technical Assistance**
  - Economic Gardening
  - SBA Emerging Leaders

- **Workforce Development**
  - 2016 Labor Study
  - America’s Promise Grant/MOVE-HIRE*
  - Industry outreach, assessment, and training support
  - MemphisWorks
  - Ready Whitehaven Workforce Initiative
  - Trade Adjustment Assistance Community College and Career Training Program (TAACCCT) Grant*

*funded by the U.S. Department of Labor

EDGE Managed Entities

Depot Redevelopment Corporation of Memphis and Shelby County

Greater Memphis Alliance for a Competitive Workforce (GMACWorkforce)

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

Memphis and Shelby County Port Commission

EDGE Properties

Depot

Frank C. Pidgeon Industrial Park

Presidents Island
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Thomas Dyer, Vice Chairman  
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Greater Memphis Alliance for a Competitive Workforce

Jackson Moore, Chairman  
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President & CEO, EDGE and Related Entities

Reid Dulberger

Vice President, Port and Industrial Properties; Executive Director, Memphis & Shelby County Port Commission

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