

Build Up Not Out

The Union Row offers an unprecedented opportunity for Memphis.

by [JENNIFER OSWALT](#)

Since the announcement of the proposed **\$950 million Union Row development**, there has been much discussion about what this project means to Memphis and Shelby County. There is no question that an investment of this scale within our urban core signifies momentum. The concept is visionary. The investment is unprecedented. And the access it provides to the neighboring communities is game-changing.

Memphis isn't unfamiliar with revolutionary ideas — Piggly Wiggly, FedEx, and St. Jude were all born in the Bluff City. We are a community of out-of-the-box thinkers. We value diversity and creativity. And we demand that our progress be inclusive. The Union Row development's forward-looking take on community not only raises the stakes for the property itself, but it also significantly changes the neighborhood by bridging two currently underserved areas with new access to food, jobs, and green space.

The area Union Row will occupy has been called the "donut hole." The planned site spans a void between areas seeing significant public and private investment — South City, the Core of Downtown, and the Edge neighborhoods. Union Row will replace blight with active ground floors and well-lit streets. **The planned project intends to bring a grocer, a park, a boutique hotel, office space, and over 700 residential units. These components will also bring more than 2,000 permanent jobs and over 4,100 temporary construction jobs.**

In order to help make this monumental development possible, a Downtown Memphis Commission-affiliated board approved the TIF application for this project. A TIF is a win-win, allowing developers to borrow from future increased tax revenues which would not exist but for the development, and to invest those funds in public infrastructure to literally pave the way for the development. The TIF provides for these infrastructure enhancements while also allowing developers to span a gap in financial feasibility generated from their own project's success. No property receiving a real property PILOT or TIF pays less property tax than it pays pre-incentive as a result of the PILOT or TIF.

Additionally, the city and county benefit by receiving 25 percent of the increased taxes during the TIF period. In the case of Union Row, this is almost \$2 million more collectively

to the city and county each year during the incentive period. Since the development will long out-live the incentive, the city and county will see exponentially increased tax revenue once the incentive period ends. The incentives are needed because the combination of high property tax and affordable rents does not always allow for feasible development.

The development team, Big River Partners, and its partners, led by LRK, Montgomery Martin, and Duncan Williams have a strong history of inclusive practices and are committed to building a complete team that is representative of Memphis. They are committed to meeting minority and women-owned participation goals of at least 28 percent and offering local minority ownership opportunities. A project of this size means great opportunity for partnerships and planning for minority and women-owned businesses. The DMC looks forward to helping fill the commercial and retail spaces with emerging and minority-owned Memphis businesses.

Union Row is catalytic, and along with another \$4 billion of development in the Downtown pipeline, Memphis definitely has momentum. We are in the middle of a hotel boom and a corporate renaissance, with Orion, Oden, Southern Sun, DCA, Leo Events, ServiceMaster, B Riley, and Indigo Ag, among others, choosing to plant their corporate headquarters Downtown. Our riverfront is also changing, and it is clear that opportunity is calling. Union Row answers that call, and responds to Memphis 3.0's mantra of "Build Up Not Out."

The Women's Foundation for a Greater Memphis and Urban Strategies, the Mayor, Planning & Development, Housing and Community Development, and Business Diversity & Compliance as well as Memphis Housing Authority and Memphis River Parks Partnership have worked hard to show Memphians what our next century should look like — inclusive. Together with developers, elected officials, and city and county leaders, the Downtown Memphis Commission is building a Memphis that is investible — a Memphis that has momentum and a Downtown for everyone.

Jennifer Oswalt is president and CEO of the Downtown Memphis Commission.