

Downtown Montgomery

Building Permits & Projects Report

2014-2020

February 12, 2021



City of **Montgomery**

DEPARTMENT OF ECONOMIC &
COMMUNITY DEVELOPMENT

TABLE OF CONTENTS

Introduction	1
Open Data and 2020 Information	3
Downtown Study Area	4
Downtown Building Permit Data	6
Featured Major Projects from 2014-2020	
New Construction Projects:	
Columbus Square Housing	14
The Heights Apartments	15
79 Commerce Building	16
Staybridge Suites Hotel	17
National Memorial for Peace and Justice, Memorial Garden and Memorial Center	18
Renovation Projects:	
The Kress Building	19
The Bell Building	20
The EJI Legacy Pavilion	21
Murphy House Renovation, Marriott Autograph Hotel	22
Courtyard at Dexter Avenue	23
Embassy Suites Hotel	24
The Belk Building	25
City Federal Building, City Fed Restaurant	26
SpringHill Suites Hotel	27
Looking Ahead	28

List of Tables

1. Report Overview, 2014-2020
2. Open Data: City-wide Permits 2020
3. City of Montgomery Downtown Study Area Map
4. City of Montgomery, TIF District
5. Largest Downtown Construction Projects by Construction Cost in 2020, Single Permit
6. Number of Building Permits by Year, 2014-2020
7. Value of Building Permits by Year, 2014-2020
8. Permits and Estimated Value of Construction Downtown in Relation to Citywide
9. Largest Construction Projects by Construction Cost 2014- 2020
10. Location and Distribution of Highest Value Multi-permit Projects 2014-2020
11. Projects with Development/Rehabilitation Agreements Downtown 2014-2020

Introduction

We are pleased to provide the following report about building permits in Downtown Montgomery. This report covers the time frame from January 2014 to December 2020.

The data presented herein describe the number of City building permits issued and the estimated construction values of those same building permits during this most recent seven-year period. The report provides data that can be independently verified and independently replicated via Open Data Montgomery, the web-platform comprising high-value data published in an engaging and open format that is available free to the public at <https://opendata.montgomeryal.gov/>.

Montgomery’s downtown revitalization has firmly taken hold. In the early 2000’s, publicly-funded, catalytic projects like the Riverwalk Stadium, the Riverfront Park and Amphitheatre, the Cramton Bowl, and the Multiplex were -- and remain -- critically important to the story of Downtown’s rebirth. Now in 2021, the narrative about revitalization in Downtown Montgomery is clearly not an anecdote, nor is it based on public dollars. Despite struggling through the COVID-19 global pandemic, construction not only continued strongly during 2020, in fact it saw the highest value of construction since 2014.

The land area of Downtown in square miles is barely more than one percent of the area of the city as a whole. See chart below. Yet Downtown remains a significant portion of the estimated construction values in Montgomery.

From 2014 to 2020, just over \$244 million in reported construction values have been invested in Downtown Montgomery, equal to more than 16 percent of the \$1.5 billion invested City-wide during the same period.

In 2020 alone, nearly \$50 million in reported construction values were invested in Downtown Montgomery, comprising 21 percent of the \$235 million invested City-wide during the same period.

	Downtown Study Area	City as a Whole	Downtown as a % of the City
Land Base in Square Miles	1.69	163	1.04%
Unique Building Permits	720	15,947	4.51%
Estimated Cost of Construction per Permits in 2020	\$49,621,071	\$235,445,793	21.08%
Estimated Cost of Construction per Permits from 2014 to 2020	\$244,315,162	\$1,515,483,340	16.12%

This report covers permitted Downtown construction projects. While there are substantial street/streetscape and utility projects, those are excluded. Investments relating to equipment, fixtures, or furniture are also excluded. In addition, there are no property acquisition costs included, nor are any soft costs nor other property development related professional services. These costs would represent significant private investments in and of themselves. Those costs are often wrapped into estimates provided by developers to the newspaper, for example. However, because the type of information is not consistently available across all the projects, nor is it publicly available, it has not been included in this report.

Data for 2020 Permits

Open Data Montgomery is the City’s robust catalogue of publicly accessible and interactive data that increases transparency and fosters greater accountability. The City describes Open Data Montgomery as a tool to enhance overall effectiveness and efficiency of departmental operations when used internally. The initial offerings on the platform include interactive maps, charts and graphs built on comprehensive datasets comprising demolitions, permits, inspections, 3-1-1 service requests, street paving and more. Like most digital resources, especially those providing real-time information, however, the portal is ever changing and will constantly evolve as the City releases new data from different departments as it becomes available.

City-wide building permit data has become increasingly easy to access, advancing significantly since the first year of this summary report occurred in 2018, with more improvements every year since then. The Building Permits data dashboard is found within in the Public Works grouping.

To follow is a graphic from that platform showing how these permits breakdown for 2020 as a whole, and across each of the nine City Council Districts and the police jurisdiction. Downtown Montgomery includes parts of City Council Districts 3 and 7.

In 2020, there were 2,541 building permits issued in the city, representing total estimated construction costs of \$235,445,793.

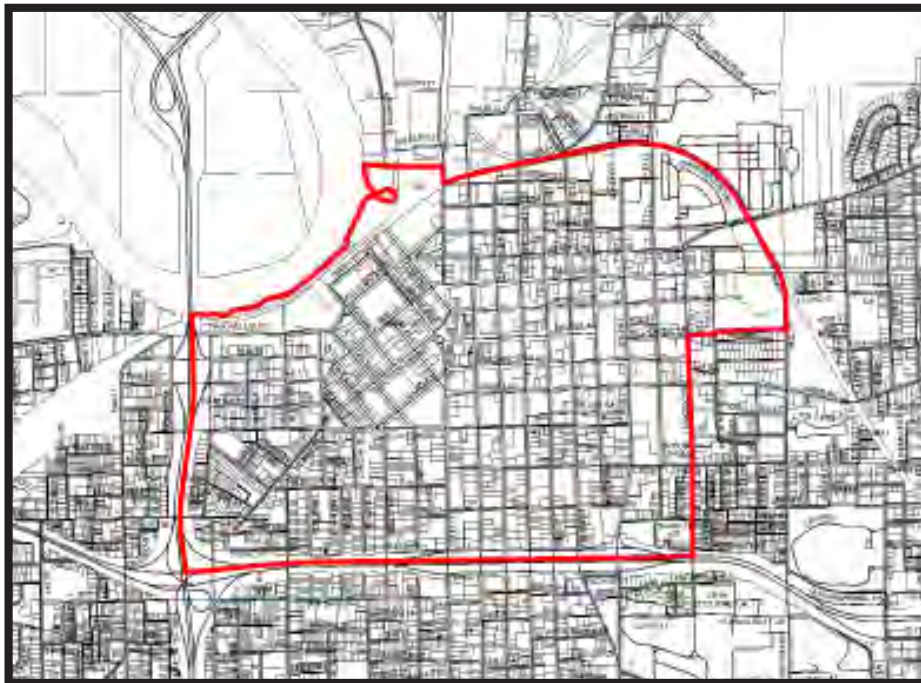


Downtown Study Area

The Riverfront and Downtown Montgomery Plan (2001), the Downtown Montgomery Plan (2007), and the recently completed update the City's Comprehensive Plan, Envision Montgomery 2040 (2020), all recognize the importance of a sustained focus on Montgomery's downtown. Great Downtowns throughout the world are centers for their region, not only for employment but also for culture and other amenities.

Investment into new construction and renovation is one indicator to demonstrate an area's growth. Building permits data have the advantage of being a data source that can be consistently repeated across properties, public and private, and across years. As a first step, a downtown-specific study area "Shape File" or polygon was created to facilitate the data in this report. See image below.

The Downtown Montgomery Plan (2007) area drives our Study Area boundaries, focusing in on those areas now defined by "SmartCode" zoning. The study area includes portions of City Council Districts 3 and 7. Interstate 65 is the eastern-most edge and Interstate 85 is the southernmost edge. As you'll note from the Study Area Map, the area will be a great base from which to compare into the future as revitalization continues. While City-wide, City Council District-level, and individual property data are now accessible on-line, we worked with the GIS Analyst team to create a Downtown-specific polygon within which to focus this report in order to ensure that the hard, specific numbers were available to support and demonstrate Downtown Montgomery's growth.

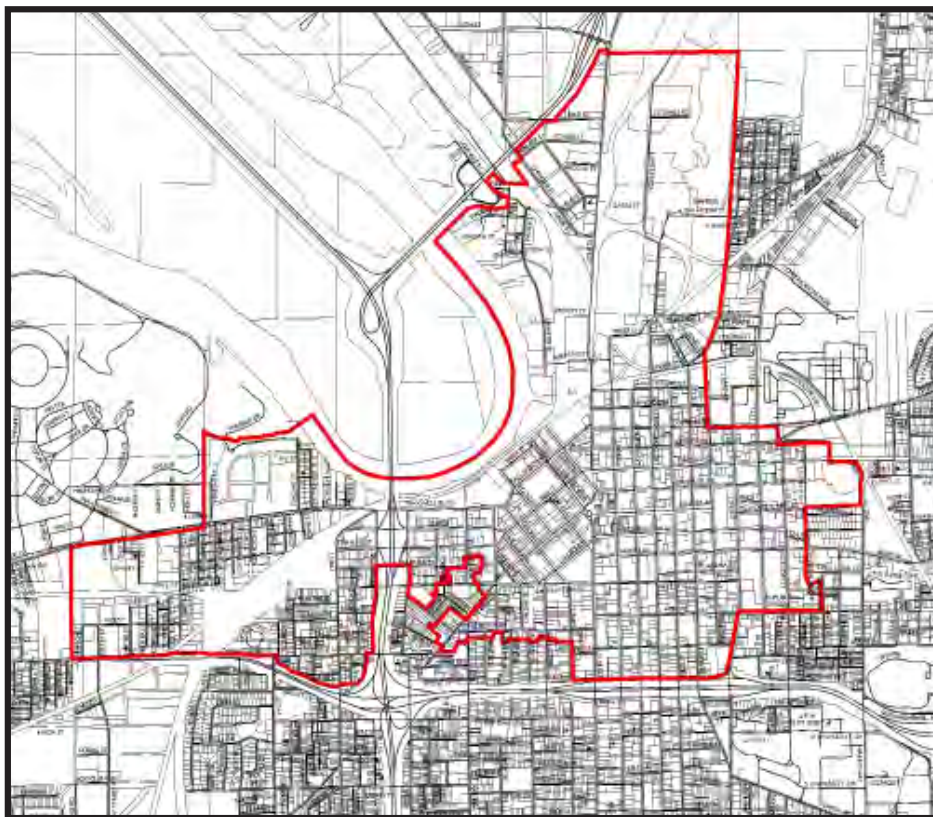


City of Montgomery Downtown Study Area Map

This report's Downtown Study Area does not include the Centennial Hill and Oak Park areas southeast of Downtown. This means we are missing large recent projects, including the Montgomery Housing Authority's large Centennial Hill Plaza development and renovations in the vicinity of Jackson Hospital.

Second, the Study Area does not include Maxwell Boulevard, west of Interstate 65. The City owns a substantial amount of property in this area and it is within in the Downtown Tax Increment Financing ("TIF") District. As of 2020, much of this City land is proposed for sale for the development of an outdoor recreation facility and associated commercial spaces.

Finally, the Study Area leaves out a large area in the north of downtown, despite this area also being inside the TIF District boundary. See below for the TIF District boundaries for a comparison with the Study Area boundaries for this report.



City of Montgomery TIF District

Downtown Building Permit Data 2020

From January 2020 to the end of December 2020, there were one hundred and one (101) building permits issued in the Downtown Study Area. That number is comprised of distinct, trackable permits. It includes building permits for grading; there were two of them downtown during this time. In order to issue a grading permit there has to be significant excavation and most downtown projects did not have that level of significant ground disturbance. It also includes individual permits related to a Certificates of Occupancy. Those Building Permits do not include any Mechanical, Plumbing, Electrical, or Gas Permits.

Building permit records include the property parcel number and property address. If there were to be an error made in data entry, then the building permit would not come up in this report, though it would still be expected to be on the Open Data system as an individual permit, just perhaps not traceable back to the downtown study area.

Another disclaimer to provide is that if a person or entity should be doing work without a building permit, it is not included in this report.

Finally, an important disclaimer is regarding the valuation of construction work: When the owner or contractor requests a building permit, they provide the estimated value of the work, called the estimated construction costs, which in turn drives the fee that is assessed for the permit. It is possible that some of these self-reported estimates are low. In that case, we can have confidence in the total estimated construction value being a conservative number.

The largest ten projects downtown make up more than 80 percent of the total construction costs reported in 2020. This has been a consistent trend in each of the last three years of this report, and across the 2014 to 2020 as a whole.

	Largest Downtown Projects	Downtown Study Area	Largest as a % of Downtown
Estimated Cost of Construction per Permits in 2020	\$41,066,020	\$49,621,071	82.76%
Estimated Cost of Construction per Permits from 2014 to 2020	\$194,351,768	\$244,315,162	79.55%

Largest Downtown Construction Projects by Construction Cost in 2020 - On A Single Permit

Address and Building Information		Estimated Construction Cost
1	251 South Lawrence, Montgomery County, Addition	\$ 12,523,700.00
2	401 North Perry, The EJI Legacy Pavilion, Addition	\$ 10,108,000.00
3	116 Coosa Street, Murphy House Renovation, Marriott Autograph Hotel	\$ 6,000,000.00
4	36 Commerce Street, City Federal Bdlg Renovation, City Fed Restaurant	\$ 3,900,000.00
5	101 South Lawrence, Montgomery County, Renovation	\$ 3,000,000.00
6	445 Dexter Avenue, Renovation, Employees Retirement System of AL	\$ 1,300,700.00
7	535 Adams Avenue, Renovation, Alabama League of Municipalities	\$ 1,266,690.00
8	38 Washington Avenue, Renovation, South Central Bell	\$ 1,187,130.00
9	625 Madison Avenue, New Construction, Wendy's Restaurant	\$ 933,000.00
10	100 North Union St, Renovation, Employees Retirement System of AL	\$ 846,800.00
Total		\$ 41,066,020.00
Downtown 2020		\$ 49,621,071.00
Percent of		82.76%
Citywide 2020		\$ 235,445,793.00
Percent of		17.44%

The data demonstrate the importance of largersized projects in Downtown Montgomery. The largest ten projects here make up more than 80 percent of the total construction costs reported in the Study Area. Those same largest ten projects also make up more than 17 percent of the total construction costs reported citywide in 2020.

Above, is the detail on the largest projects downtown based on single building permits pulled during calendar year 2020. Nine of the ten largest projects downtown in 2020 were permits pulled for additions, renovations and/or tenant improvements to existing buildings. A substantial amount of construction value occurred at public buildings, including Montgomery County, and tenant improvements continued at the Employees Retirement System of Alabama buildings downtown.

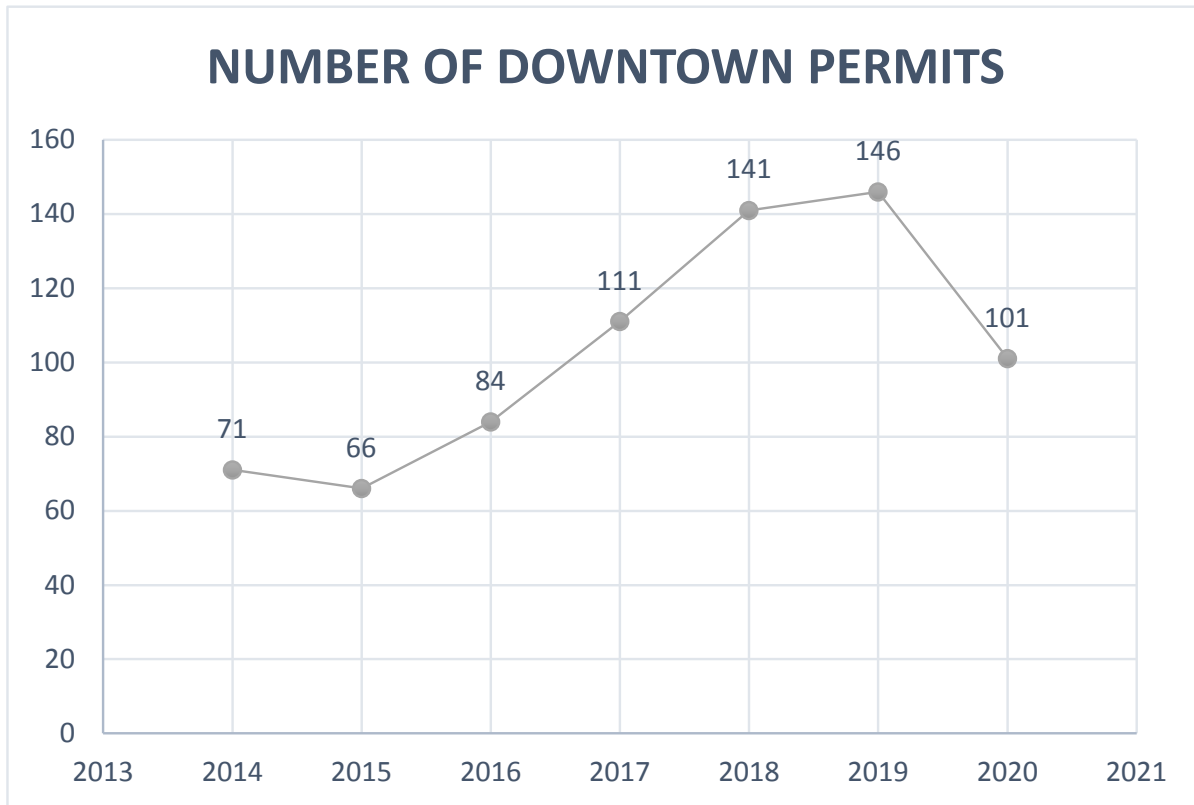
Not shown in this table, but interesting to note, after these largest ten projects, another 21 permits for upgrades to existing buildings ranged in value from \$100,000 to \$750,000 throughout the study area.

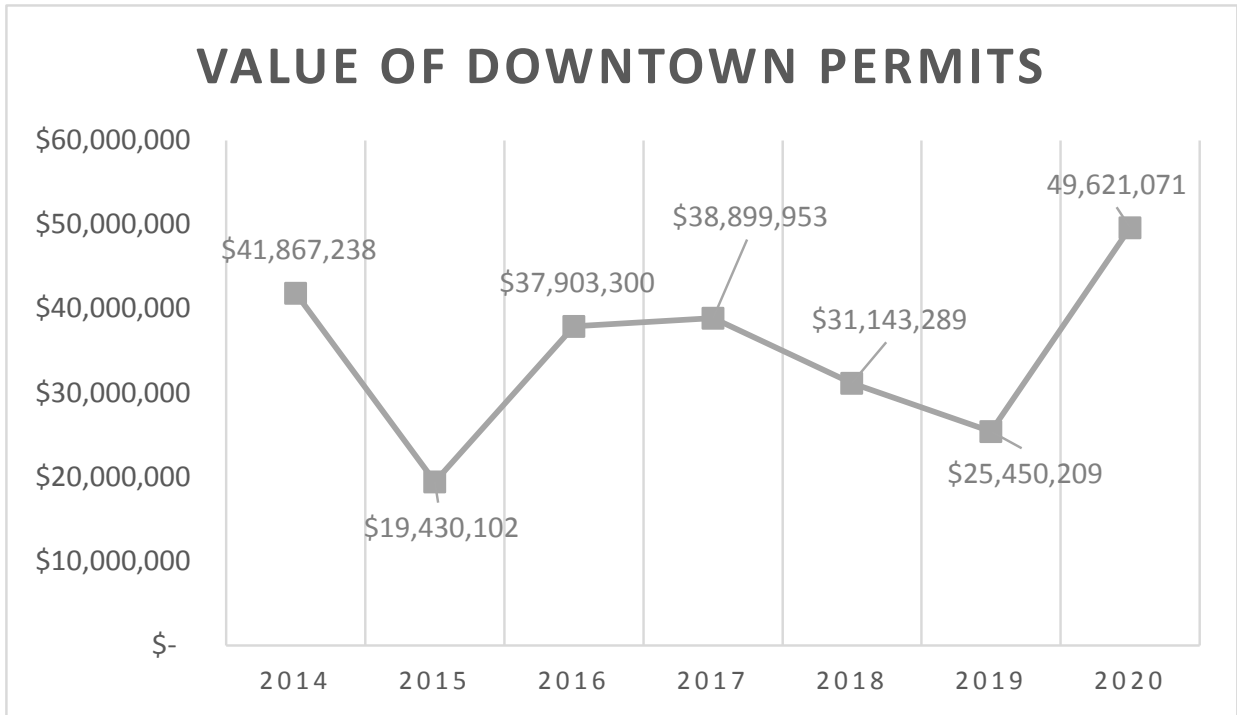
Downtown Building Permit Data 2014- 2020

Looking across the full seven years, from January 2014 to the end of December 2020, there were seven hundred twenty (720) building permits issued downtown. These are distinct, trackable permits and do not include any Mechanical, Plumbing, Electrical, or Gas Permits.

Across the graph to follow is an illustrative of the number of building permits issued and how this has steadily increased over the years.

The largest ten projects downtown make up more than 80 percent of the total





Across the seven years studied, there was more than \$244 million in estimated construction costs. Although the total number of permits issued in 2020 went down, the value of the estimated construction of those permits went up to \$49,621,071.00.

The year 2014 saw the second highest valuation of building permits during the time frame, at nearly \$42 million in construction cost estimated value. The single highest project in the year 2014 was The Heights apartment building project at 605 Maxwell Boulevard. At more than \$18 million, it was a major driver of the overall estimated construction cost value of 2014.

Largest Projects from 2014-2020

Large single permits are interesting and relatively easy to look up. However, many major projects span calendar years. Sometimes this occurs because of the phasing or components of projects, for example, the Legacy Pavilion work includes both the renovation and the addition construction at the same address. This also occurs because items like building signage and tenant improvements are all permitted separately at the same address, for example, as with the Employees Retirement System of Alabama building at 445 Dexter Avenue.

For these reasons, in addition to reporting on large single permits, this report tracks the highest value, multi-permit, multi-year projects by address. These are described in this section as “Featured Major Projects.” The projects range from just over \$3 million to nearly \$24 million in estimated construction value, with the Columbus Square housing development as the largest total multi-year project.

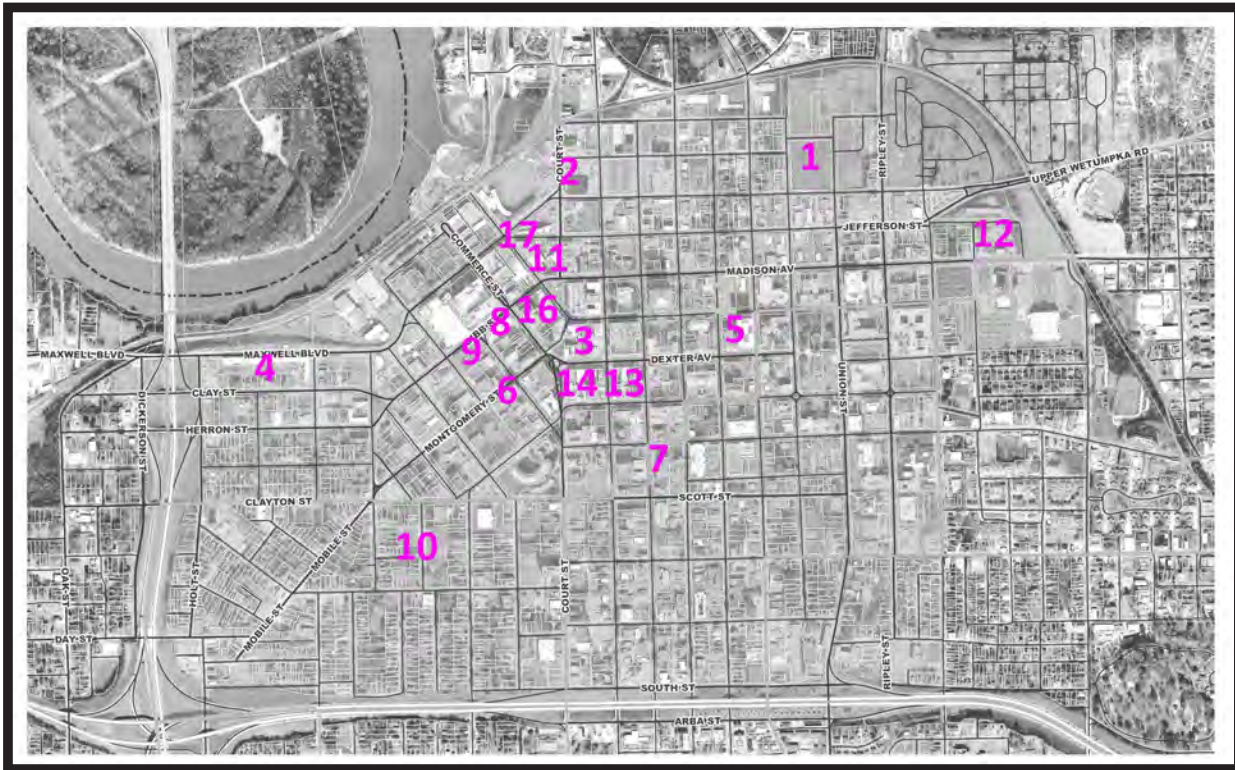
Largest Construction Projects by Construction Cost 2014-2020

Address and Building Information		Estimated Construction Cost
1	645 & 777 Columbus Street, Columbus Square Phases 1 and 2	\$ 23,998,240.00
2	401 North Perry, The EJI Legacy Pavilion and Addition	\$ 20,680,218.00
3	39 Dexter Avenue, The Kress Building	\$ 19,083,900.00
4	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000.00
5	445 Dexter Avenue, The RSA Building	\$ 17,381,180.00
6	207 Montgomery Street, The Bell Building	\$ 14,201,470.00
7	251 South Lawrence Street, Montgomery County	\$ 12,523,700.00
8	79 Commerce Street, 79 Commerce Building	\$ 10,465,200.00
9	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400.00
10	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000.00
11	116 Coosa Street, Marriott Autograph Hotel, Murphy House	\$ 6,000,000.00
12	1001 Madison Avenue, Montgomery Municipal Justice Center	\$ 4,849,000.00
13	100 & 110 Dexter Avenue, The Courtyard on Dexter	\$ 4,478,000.00
14	36 Dexter Avenue, District 36 Lofts, The Belk Building	\$ 4,433,800.00
15	300 Tallapoosa Street, Embassy Suites Hotel	\$ 4,389,840.00
16	36 Commerce Street, City Fed	\$ 3,900,000.00
17	152 Coosa Street, SpringHill Suites Hotel, Bishop Parker Building	\$ 3,121,600.00
Total		\$ 188,515,548.00
Downtown 2014-2020		\$ 244,315,162.00
Percent of		77.16%
Citywide 2014-2020		\$ 1,515,483,340.30
Percent of		12.44%

Locations and Distribution of Largest Projects 2014- 2020

The distribution of the largest multi-permit, multi-year projects with building permits pulled from January 2014 to the end of December 2020 is scattered across different areas downtown, though many remain in the core areas of the central business district and where there is the highest density T-5 zoning. On-line, there will be a virtual tour of these projects in the GIS “Story Map” format.

Interestingly the largest downtown projects show quite a mix of new construction and renovation projects. They represent a complete mix of hospitality-based projects, commercial projects, and public building or public property projects.



Locations and distribution of top seventeen highest value multi-permit projects.

Many of the largest projects resulted from the sales of strategic, City-owned properties. These are properties that were conveyed to buyers who committed to private investment through Development Agreements and Rehabilitation Agreements.

Some of the properties with development or rehabilitation agreements had construction activity during the 2014-2020 timeframe. *Note that some of the projects had work that preceded the tracking of this data and are not shown, or only had partial work during the timeframe.

It is striking that the addresses where there were development/rehabilitation agreements make up more than twenty-eight (28) percent of the total downtown construction costs. While the City has actively been trying to sell its “surplus” properties in many areas of the city, the impact of these more “strategic” properties downtown where there are deliberate efforts to push for their development suggest an important role for the City to continue to staff as it works to continue to stimulate downtown revitalization.

Addresses with Development/Rehabilitation Agreements Downtown - work during 2014-2020

	Address and Building Information	Estimated Construction Cost*
1	401 North Perry, The EJI Legacy Pavilion	\$ 20,680,218.00
2	39 Dexter Avenue, The Kress Building	\$ 19,083,900.00
3	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000.00
4	79 Commerce Street, 79 Commerce Building	\$ 10,465,200.00
5	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400.00
6	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000.00
7	25 Dexter Avenue, BRMD Investments	\$ 562,705.00
8	39 North Perry, Former Webber Building/Montgomery Theatre	\$ 387,000.00
9	1 Court Square, One Court Square Building	\$ 45,000.00
10	72 A&B Dexter Avenue (fka 58&62), Dexter Place II	\$ 40,000.00
11	15 Dexter Avenue, Joshua One Eight	\$ 35,600.00
	Total	\$ 69,628,805.00
	Downtown 2014-2020	\$ 244,315,162.00
	Percent of	28.50%
	Citywide 2014-2020	\$ 1,515,483,340.30
	Percent of	4.59%

Featured Projects

The following section of “Featured Major Projects” Downtown during the 2014 to 2020 timeframe illustrates the mix of types and investors, scale and scope of downtown investment. They range from just over \$3 million to nearly \$24 million in estimated construction value.

The “New Construction Projects” featured include Columbus Square Housing, The Heights Apartments, 79 Commerce Building, Staybridge Suites Hotel, and the National Memorial for Peace and Justice, Memorial Garden and Memorial Center.

The “Renovation Projects” featured include the Kress Building, the Bell Building, the EJI Legacy Pavilion, the Marriott Autograph, the Courtyard at Dexter Avenue, Embassy Suites Hotel, the Belk Building, the City Federal Building, and the SpringHill Suites Hotel.



New Construction, Residential

Columbus Square Housing, Phase 1 and 2 645 and 777 Columbus Street \$23,998,240 estimated cost of construction

The Montgomery Housing Authority had the old Trenholm Court apartments torn down in 2011, removing what was perceived as a significant blight on this north-east corner of Downtown.



The new project on that site is called Columbus Square. Phase 1 and Phase 2 have been completed. Combined, these two phases represent the largest multi-year, multi-permit construction project in downtown with a cumulative estimated value of construction listed at \$23,998,240. Phase 2 construction alone was also the largest single building permit downtown in 2018 at \$13,498,240.

There are 160 residential units completed. At full build out, there is expected to be 240 total residential units with a mix of apartments and townhomes, offered at a mix of market and affordable rents.

This is a quality-built, attractive project, with a long waiting list of residents and families wishing to live there. This many new units would be expected to provide a significant impact on the downtown market; the project is easy walking distance to the State Capitol Complex and central downtown.



New Construction, Residential

The Heights 605 Maxwell Boulevard \$18,631,000 estimated cost of construction

The Heights Montgomery apartment building was the largest single building permit in 2014. Adding in the grading work, pool, and signage, this project is the third largest total multi-year, multi-permit project in Downtown in recent years with \$18,631,000 cumulatively in total estimated construction values reported in those permits.



The project is new construction, with 164 residential units. The apartments are all one and two bedrooms with quality finishes; there is a swimming pool and fitness center. The Heights overlooks the Alabama River and is footsteps from the newly upgraded Wright Brothers Park, the EAT South Downtown Farm, and is an easy walking/biking connection to the core of downtown.

The City of Montgomery sold the property to River View LLC, an assignee of StoneRiver Company, in September 2014 for \$643,313 with a Development Agreement and timeline for construction. The Montgomery County Assessment records indicate that the developer sold the property Spring 2019 for \$25,050,000.



New Construction, Mixed Use

79 Commerce Building, 79 Commerce Street \$10,465,200 estimated cost of construction

Located at the prominent corner of Commerce and Bibb Streets, the 79 Commerce building opened in October 2015. It is a quality built project that went through the City's Architectural Review Board because it occupies the location of the historic Gay-Teague Hotel. That old, ten-story hotel became known as the Frank Leu Building; it was imploded in 1997. The property sat as a parking lot for the next 17 years.



79 Commerce is a four-story, multifamily residential building with 54 units. There are 45 one-bedroom and 9 two-bedroom/two-bath units ranging from 740 square feet to 1185 square feet. This is new, mixed use construction, with some 15,800 square feet of retail. Ground floor restaurants include the large, corner Mellow Mushroom and a Taste Too wine bar.

Because of the grading work, substantial tenant improvements work, and signage, this project is the sixth largest total multi-year, multi-permit project in Downtown in recent years with \$10,465,200 cumulatively in total estimated construction values across all of those individual permits.

The City of Montgomery sold the property to at 79 Commerce Street to CBD Montgomery in May 2013 for \$250,000 with a Development Agreement and expectations for construction.



New Construction, Hospitality

Staybridge Suites Hotel, 275 Lee Street \$10,224,000 estimated cost of construction

The Staybridge Suites Hotel at the corner of Bibb and Lee Streets is a new, five-story hotel with 121 guest rooms. It opened to guests in 2019.



The project has a grand, urban, glassed area at the pedestrian level and it is directly across from the Montgomery Performing Arts Center and Conference Center. Parking is tucked strategically behind the building, and there is a pool and fitness center for guests.

With signage, construction and grading this project is the seventh largest total multi-year, multi-permit project in Downtown with \$10,224,400 cumulatively to date in total estimated construction costs as part of those permits. Note that none of what would be the substantial costs for fixtures, furniture or equipment are included in that number.

The site of a former, small urban City skate board park, there were initially concerns raised when the property was sold by the City for development. The opening of a new, larger skate park near Gunter Park has largely mitigated these complaints. The City of Montgomery sold the property at 301 Bibb Street to KMB Alley, LLC, in November 2015, for \$300,000 with a Development Agreement and expectations for construction.



New Construction, Civic and Commercial

National Memorial for Peace and Justice, Memorial Garden and Memorial Center 417, 403 and 414 Caroline Street \$10,154,000 estimated cost of construction

The National Memorial for Peace and Justice is a new civic space dedicated to honoring the victims and reflecting on tragedy behind the more than 4,000 documented extra-judicial lynchings of African Americans that occurred throughout the United States from 1877 to 1950. Its very moving message, art and architecture have earned international recognition and extensive national media attention. The development is part of the Montgomery-based nonprofit Equal Justice Initiative's ("EJI") work to bring awareness, healing and resolution to issues around mass incarceration and racial inequities in the country.



The National Memorial for Peace and Justice and the adjacent Memorial Garden opened in April 2018. They had received a reported 300,000 visitors by December 2018. As of December 2019, the number of visitors is now more than 650,000. The Memorial Center is a large, state-of-the-art auditorium, café, and gift shop space that opened in early 2019. There is no doubt that the project has had significant impact on downtown and will likely spur revitalization more to the south and west of the traditional core.

Adding in the grading work, construction and combining these proximate buildings of EJI together, these projects represent the eighth largest total multi-year, multi-permitted construction in Downtown across recent years with \$10,154,000 cumulatively in total estimated construction values for all those permits.



The City of Montgomery sold the property at 417 Caroline Street in September 2015 for \$276,800 and at 414 Caroline Street in June 2017 for \$100,000 to Equal Justice Initiative with Development Agreements and expectations for construction.

Renovation Project, Mixed Use

The Kress Building, 39 Dexter Avenue \$19,083,900 estimated cost of construction

The Kress Building is a spectacular renovation of an historic, 1929 art deco building in the heart of the Court Square-Lower Dexter Historic District. It provides some 33 residential units on the upper two floors of an estimated 32,000 gross leasable commercial space. It was re-platted together with adjacent properties fronting Dexter Avenue and Monroe Street, with new construction and elevators in those areas.



The Kress Building renovation was the largest single building permit in 2016. Adding in the foundation work, signage, and substantial tenant improvements – for example at the Prevail Union Coffee Shop -- this project is the second largest total multi-year, multi-permit project in Downtown across recent years with \$19,083,900 cumulatively in total estimated construction values as part of all those building permits. This was up from more than \$200,000 from the prior year's permit report due largely to continuing commercial tenant improvements in the building in 2019.

The City of Montgomery sold the property to ELSAJA 35 Dexter, LLC, and ELSAJA 39 Dexter, LLC, in September 2014 for \$125,000 and \$430,000, respectively. Rehabilitation Agreements define expectations for renovation, including key elements of the original building that were called out by the City as required for preservation; these add to the property's unique charm and place in the historic district, for example, its plasterwork, rounded storefront windows, and a large marble carving labeled with the words "Colored" and "White" allowing visitors to reflect on the past era of segregated water fountains.



Renovation Project, Residential

The Bell Building, 207 Montgomery Street \$14,201,470 estimated cost of construction

This twelve-story building was the city's tallest structure when it was built in 1910. It is a lovely, ornate building with extensive cast iron details. When complete, there are expected to be 88 units of residential housing, largely one and two bedrooms. The property began marketing floor plans in fall 2018 and attracted extensive local media interest. Residents are expected to start to move in, floor by floor, in 2020.



The Bell Building renovation was the largest, single building permit of 2017, at \$14,201,470 in estimated construction value for that permit. It is still under construction as of this report. It is expected that there will be additional permits issued, for example, related to streetscape, exterior work, signage, and tenant improvements. It is currently the fifth largest total project in Downtown. A newspaper article from November 2017 suggested that the renovation could approach \$25 million, which, at that time, would make it the largest project in Downtown. However, as of the date of this report no additional permits had been pulled.



Renovation Project, Civic & Commercial

The EJI Legacy Pavilion and 2021 Addition, 401 North Perry Street \$20,680,218 estimated cost of construction



Building on the success of their 2018 museum and memorial projects, the Equal Justice Initiative launched another construction project at 401 North Perry Street. This full block development is 2.7 acres and had a 30,000 square foot warehouse on the block when it sold in 2018. Zoned T-5, after \$9,620,418 in estimated construction costs EJI has fully renovated the warehouse into a modern gift shop and restaurant.

Opened in January 2020, the new “EJI Legacy Pavilion” has a gift shop, coffee shop, and Pannie-George’s Kitchen as a restaurant. The development provides more parking, with bus loading and drop off options for visitors, more art, and extensive new landscaping and streetscape improvements along North Court Street. A signature, backlit, perforated metal art piece extends across the building façade with images of famous Alabama civil rights leaders, including Martin Luther King, Jr., Claudette Colvin, John Lewis, Rosa Parks, Jonathan Myrick Daniels, Jo Ann Robinson, and E.D. Nixon.

In 2020, on the same property EJI began a new addition valued at more than \$10 million (photo right). Altogether then, the property has received more than \$20 million in investment, making it a top five project downtown.

The value of permits for the new addition add to the previous \$20 plus million in investment, making it a top five project downtown.



The City of Montgomery sold the property at 401 North Perry Street in November 2018 for \$900,000 to Equal Justice Initiative under a Development Agreement with expectations for construction.

Renovation Project, Hospitality

**Marriott Autograph Hotel, Murphy House Renovation,
116 Coosa Street**

\$6,000,000 estimated cost of construction



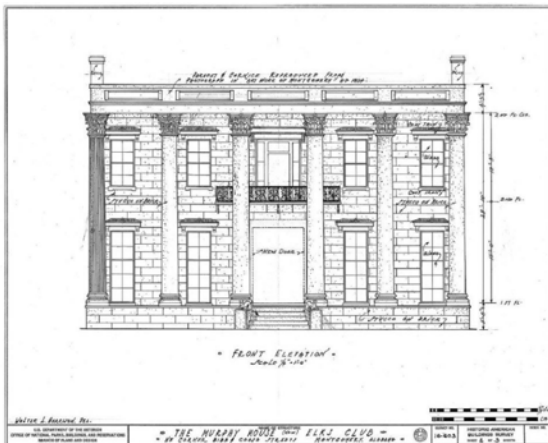
A renovation and addition at 116 Coosa Street is underway in 2021 and will result in a new Marriott Autograph Hotel with 113 rooms. It is just across the street from the EJI Legacy Museum. It will occupy what was most recently the headquarters location of the Montgomery Waterworks and Sanitary Sewer Board, fronting both Coosa Street and Madison Avenue.

Montgomery's first Autograph hotel is being developed by Ascent Hospitality LLC and will also have event spaces, a bar, a rooftop terrace, lobbies, and a restaurant in the historic Murphy House.



The Murphy House sits at the very business Madison Avenue, Bibb Street, Coosa Street, Court Street intersection. Pre-COVID-19, the average daily traffic counts of here was 17,257 cars. The historic Greek-Revival Murphy House dates from 1851 and is on the National Register of Historic Places.

This renovation project's single permit with construction value estimated at \$6,000,000 in 2020 was in the five three largest for that year.



Renovation Project, Mixed Use-Residential

**The Courtyard on Dexter, 100 -116 Dexter Avenue
\$4,478,000 estimated cost of construction**



The former Nachman Building is at 100 Dexter Avenue, at the intersection with Perry Street. Built in 1885 as Pollack’s Dollar Store, the three-story building had been obscured with a covering of stucco. It was originally very ornate, as shown in the historic photo below. In 1899, the building sold to the A. Nachman Company and was an active business for decades. After a fire in 1947, the stucco as most recently known was applied and it continued as a modern ladies store.

The adjacent building at 110 Dexter Avenue was recently demolished by the new owners. Along with 116 Dexter Avenue, the three properties have been approved for a re-plat by Planning Commission and renovation is underway as of this report in early 2020.

Rebranded as “The Courtyard at Dexter Avenue,” the project will have mix of commercial and residential uses. At 116 Dexter Avenue, the plan is for new retail shop space with direct storefront access to and from Dexter Avenue. Likewise, the 100 Dexter Avenue address will offer over 4,500 square feet of space that could be well situated for a restaurant and/or retail users with direct street access. The Courtyard at Dexter is described as retail, restaurant, 18 one-bedroom lofts and 4 studio lofts, with an accompanying Fitness Center for the residents.

The private investment across 100-116 Dexter Avenue is the eleventh largest total multi-year, multi-permit project in Downtown across recent years with \$4,478,000 cumulatively in total estimated construction values costs across those building permits.

Renovation Project, Hospitality

**Embassy Suites Hotel, 300 Tallapoosa Street
\$4,237,840 estimated cost of construction**

The existing Embassy Suites Hotel is centrally located at Tallapoosa Street just in front of the historic Union Station building. It has over eight floors, 237 rooms, 15,000 square feet of meeting space, business center, fitness center, pool, and restaurant.



With renovation work and signage occurring at this address in 2016, 2017, and 2018, the private investment reported on this property makes it the twelfth largest total multi-year, multiple permit renovation in Downtown with \$4,237,840 cumulatively to date in total estimated construction values as part of those permits.



Renovation Project, Mixed Use

District 36 Lofts, 36 Dexter Avenue

The Belk Building

\$4,158,800 estimated value of construction

The Belk Building is at 36 Dexter Heart of the Court Square-Lower Dexter Historic District and is directly across from the Kress Building. Rebranded as District 36 Lofts, this is a mixed-use renovation project with 28 units of residential on the upper floors and commercial spaces available on the first and basement levels. Commercial restaurants Momma Goldberg's and Frios Pops popsicle treats are operating and are well known in the City. Residential units are one and two bedrooms, with exposed brick and century-old pine floors.



This renovation was the largest single permit in 2015 at \$2,850,000 in estimated construction value. Work permitted to this address also include multiple signage, tenant improvements and work on the adjacent City alleyway, creating required egress for tenants and a passage way to the City Parking structure to the south. With those included the private investment at this address is the thirteenth largest total multi-year, multi-permit project in Downtown across recent years with \$4,158,880 cumulatively in total estimated construction values as part of all those building permits.



Renovation Project, Hospitality

City Fed Restaurant, 36 Commerce Street
City Federal Building
\$3,900,000 estimated cost of construction



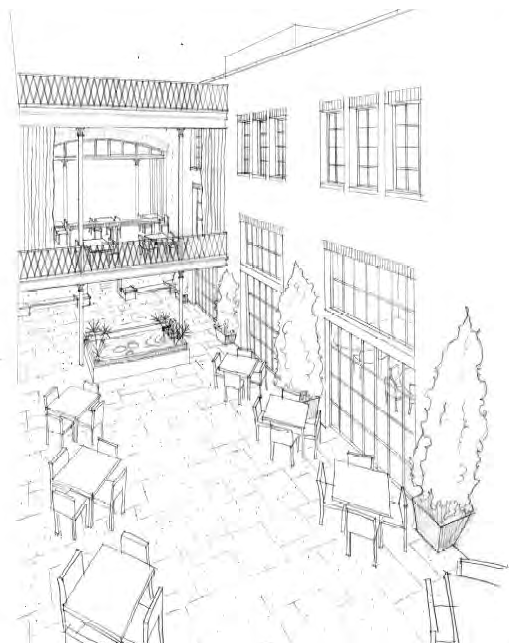
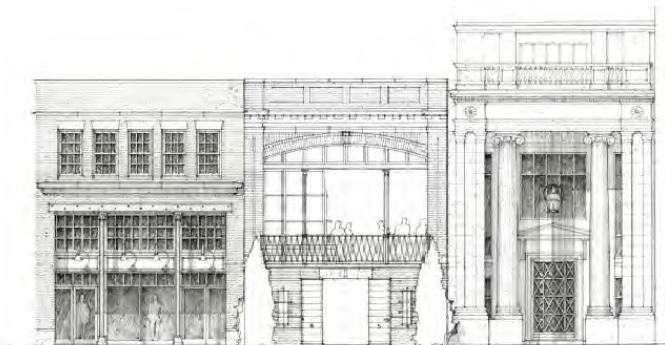
The renovation permitted to 36 Commerce Street is underway in 2021 and will result in renovations at 36 and at 46 Commerce Street, where the former City Federal Savings & Loan Building is located. The two buildings will be flanked by a central, open air atrium and outdoor dining area.

The development is being led by Vintage Hospitality Group LLC in partnership with Tom Blount.

Expected to open in 2021, the development will feature Ravello, an Italian restaurant, a ballroom, a courtyard, a cellar, and 2 mezzanines for event space. The project will restore

ornate plaster crown molding, tall ceilings, and marble floors. The ground floor of 46 Commerce will be turned into the City Fed Ballroom with antique heart pine floors, reclaimed during this renovation work.

This project's single permit with construction value at \$3,900,000 in 2020 was in the top five largest for that year.



Renovation Project, Hospitality

**SpringHill Suites Hotel, 152 Coosa Street
Bishop Parker Building
\$3,103,000 estimated cost of construction**

This renovation project is on a four-story, historic building in the Lower Commerce Historic District; the building is very ornate and has extensive cast iron details and was used for furniture sales and showroom for many years. It is very well located across from the Riverwalk Stadium and the Alley Entertainment area. There are 105 unique hotel rooms in this new SpringHill Suites Hotel. The renovation was completed in 2019.



The Bishop Parker Building renovation is the fourteenth largest multi-permitted project with \$3,103,000 in estimated construction value from its two permits. Note that none of what would very likely be substantial costs for fixtures, furniture or equipment are included in that number.



Looking Ahead

Our assessment of 2014 to 2020 construction and development activity in Downtown Montgomery found there was \$244.32 million in reported construction costs invested in Downtown in that time period. That amount is 16.12 percent of the \$1.52 billion invested City-wide in the same timeframe.

To follow is a summary table:

Downtown & City Comparisons			
	Downtown Study Area	City as a Whole	Downtown as a % of the City
Land Base in Square Miles	1.69	163	1.04%
Unique Building Permits	720	15,947	4.51%
Estimated Cost of Construction per Permits in 2020	\$49,621,071	\$235,445,793	21.08%
Estimated Cost of Construction per Permits from 2014 to 2020	\$244,315,162	\$1,515,483,340	16.12%
	Largest Downtown Projects	Downtown Study Area	Largest as a % of Downtown
Estimated Cost of Construction per Permits in 2020	\$41,066,020	\$49,621,071	82.76%
Estimated Cost of Construction per Permits from 2014 to 2020	\$194,351,768	\$244,315,162	79.55%

Looking ahead, we both need and expect Downtown Montgomery’s revitalization to continue. In spite of that \$244 million of recent construction costs, there remain many parcels and buildings ripe for investment. Indeed there are lots of opportunities for improvement. The Transition Committee for Mayor Steven L. Reed put out in 2020 the *Transition Report: A Blueprint for a New Montgomery*. The first recommendation in the Economic Development chapter, page 27, states, “The City should play a leading role in increasing activity in the downtown area and should develop and deploy strategies to proactively increase the human presence downtown.”

The second recommendation calls for an update to the downtown plan. Indeed while much has been implemented, other large goals remain unmet. The current *Downtown Montgomery Plan* helpfully called out a list of enduring elements that define “vibrant downtowns” overall, noting that while Montgomery has many of these attributes, “continuing work is needed on others.” (p. 6.18). Surely there is more work to be done. Universal elements of successful downtowns that are noted include:

- A Mix of Uses and a Diversified Tax Base
- A Secure Environment
- Mass Transit
- A Mix of Downtown Housing Types
- An Identifiable Retail Core
- Entertainment
- Class A Office
- Civic and Culture Uses
- Historic Assets
- Hotels
- Managed, Efficient, Convenient Parking
- A Walkable Environment

Revitalization during our report’s timeframe has continued emerging out from what was perceived as the traditional downtown “core” around the Alley Entertainment Area. Revitalization is extending along Commerce Street, along Madison Street, along Bibb Street, and Dexter Avenue. The floors of 60 Commerce Street are filling up with new office tenants, including relocated State of Alabama government offices. Indeed much of the largest construction projects by permit value during 2020 occurred at Montgomery County and RSA properties.

On Dexter Avenue, which has seen so much investment in the early part of the study years, including notably at the Kress Building and Belk Buildings, there remain buildings and properties that have not yet been renovated or that remain vacant and ready for tenants. City-Developer Rehabilitation Agreements for One Court Square, 61-67 Dexter Avenue, and 71 Dexter Avenue were amended in 2019 to push out any significant construction commitments to 2023 and 2022, respectively. However, a major renovation did start on 100 Dexter Avenue and is still on-going. Also, a number of important properties have been for sale as of this report, including the Winter Building and the Klein Building; both of these historic buildings sit prominently at the historic Court Square Fountain intersection.

The impacts of the Equal Justice Initiative’s investments are starting to be seen in the form of small and medium-scale renovations around Five Points



and in Cottage Hill as a result of the Memorial project on Caroline Street. EJL's renovation and now a new addition on the 401 North Perry block provides more reason for optimism as the country fully re-opens and recovers from the COVID-19 pandemic.

We welcome feedback, corrections and comments on this report in order to continue to improve it. The future is bright in Montgomery and we look forward to reporting on more Downtown investments in the upcoming years.



Development Division

25 Washington Ave.
4th Floor
Montgomery, AL 36104
Phone: 334-625-2737

Mailing Address
P.O. Box 1111
Montgomery, AL 36101

Senior Development Manager

Lois Cortell
(334) 625-3755

<https://www.montgomeryal.gov/city-government/departments/economic-and-community-development/development>

Acknowledgements:

- *Text and data compilation by Lois Cortell, Senior Development Manager*
- *Tables, graphics, report layout by Jocelyn Zanzot, Urban Design Planner*
- *Data pull and Story Map by Nida Jackson, GIS Analyst*