

Downtown Montgomery

Building Permits & Projects Report 2021

April 13, 2022



City of **Montgomery**

DEPARTMENT OF ECONOMIC &
COMMUNITY DEVELOPMENT

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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 2021.

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 2022, 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 and related supply chain and labor challenges, construction continued strongly during 2021, and new projects were teed up for future years.

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 2021, just over \$271 million in reported construction values have been invested in Downtown Montgomery, equal to more than 15 percent of the \$1.75 billion invested City-wide during the same period.

In 2021 alone, just over \$27 million in reported construction values were invested in Downtown Montgomery, comprising percent of the nearly \$235 million invested City-wide during the same period.

	Downtown Study	City as a Whole	Downtown as a % of the City
	Area		
Land Base in Square Miles	1.69	163	1.04%
Unique Building Permits	854	18,513	4.61%
Estimated Cost of Construction per Permits in 2021	\$27,250,531	\$234,609,682	11.62%
Estimated Cost of Construction per Permits from 2014 to 2021	\$271,565,693	\$1,750,093,022	15.52%

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.

Open Data for 2021 Permits

Open Data Montgomery is the City's robust catalogue of publicly accessible and interactive data that increases transparency and fosters greater accountability.

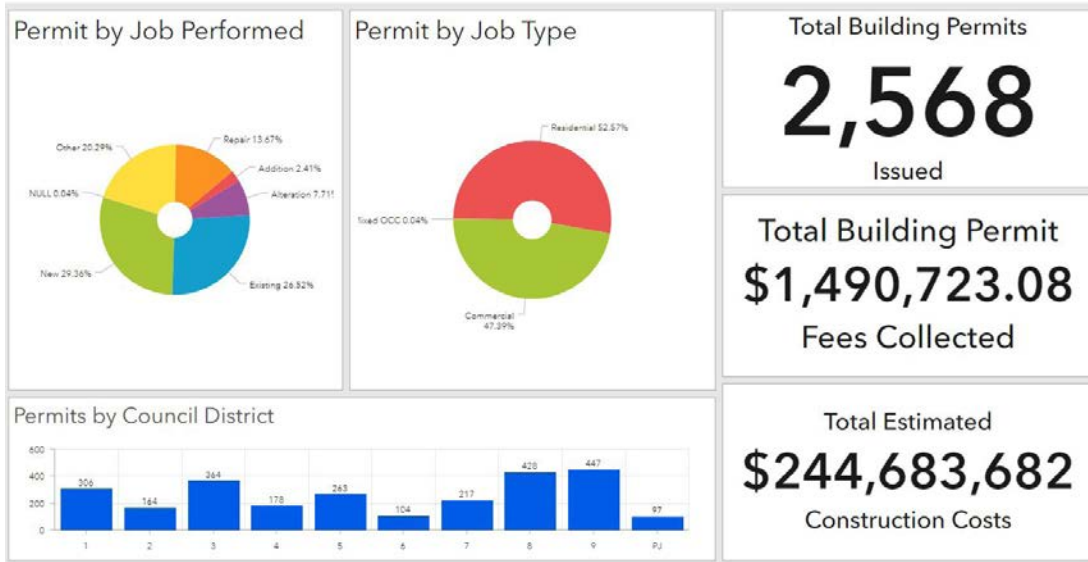
The City describes Open Data Montgomery as a tool to enhance overall effectiveness and efficiency of departmental operations when used internally. The initial offerings on the platform include interactive maps, charts and graphs built on comprehensive datasets comprising demolitions, permits, inspections, 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.

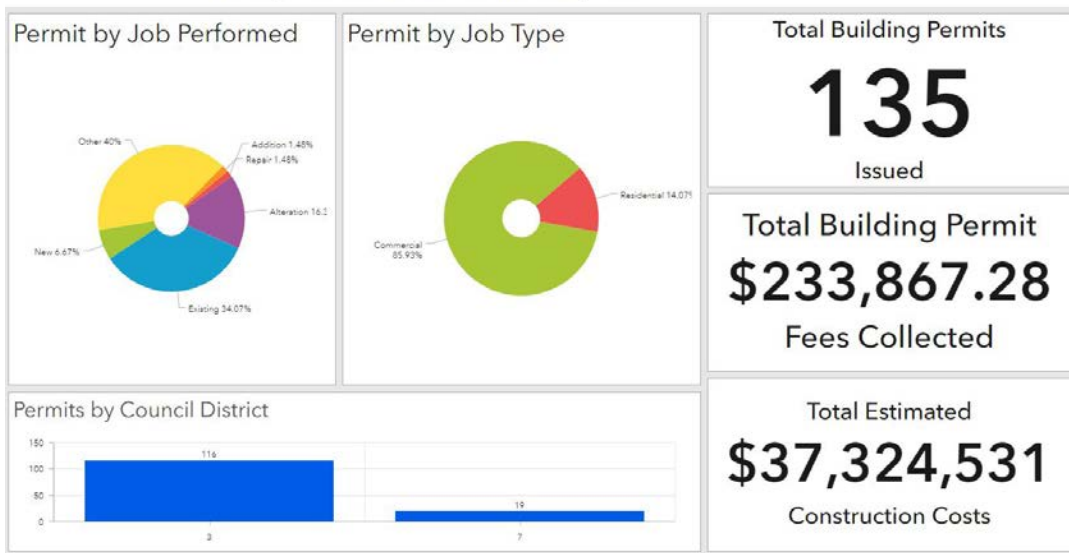
To follow is a graphic from that platform showing how these permits breakdown for 2021 as a whole, and across each of the nine City Council Districts and the police jurisdiction. Downtown Montgomery includes parts of City Council Districts 3 and 7.

In 2021, there were 2,568 building permits issued in the city, representing total estimated construction costs of \$244,683,682.

Building Permit Statistics Dashboard by Year



Building Permit Statistics Dashboard by Year



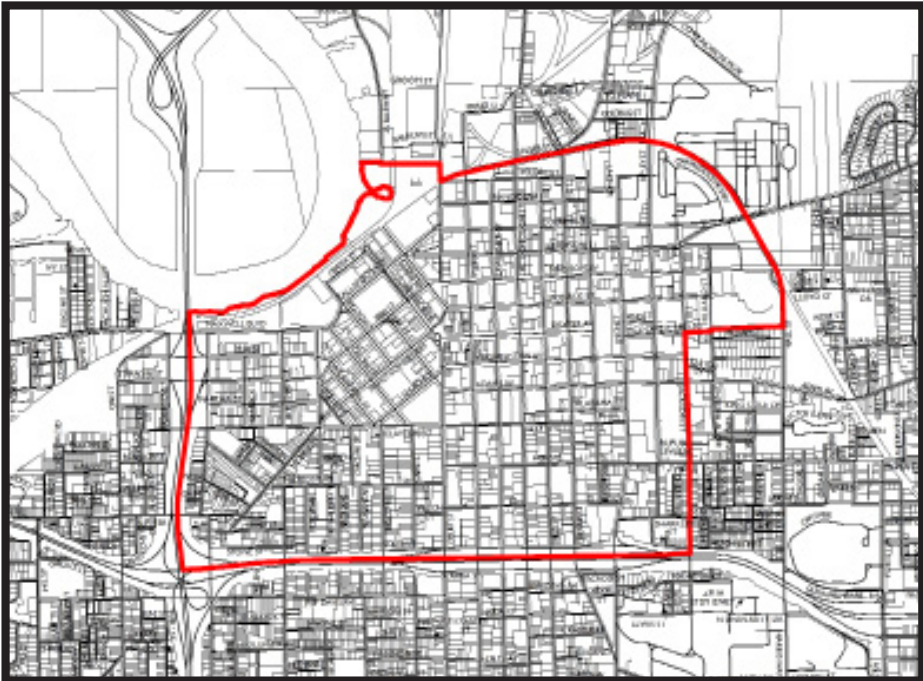
To access, please visit: <https://public-works-1-citymgm.hub.arcgis.com/>

* A special note for this report about these two graphs from Open Data: During the analysis of 2021 building permits for this report, it was discovered that a permit from 2017 was included within the 2021 numbers. The numbering system of issues permits ensured that this permit was immediately spotted when downloaded into a spreadsheet. The mistakenly included permit was for the 2017 Staybridge Suites Hotel at Bibb and Lee Street, which was valued at more than \$10 million. For purposes of this downtown report then, that specific permit and its estimated construction valued has been removed. The total building permits downtown was then 134, not 135, and the total estimated construction costs was \$27,250,531, not \$37,324,531.

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. As of 2021, much of this former City-land has been sold for the development of an outdoor recreation facility, known as “Whitewater.” The largest permit value for that project in 2021 was for \$18 million, with all issued permits totaling more than \$27 million in pulled permits.

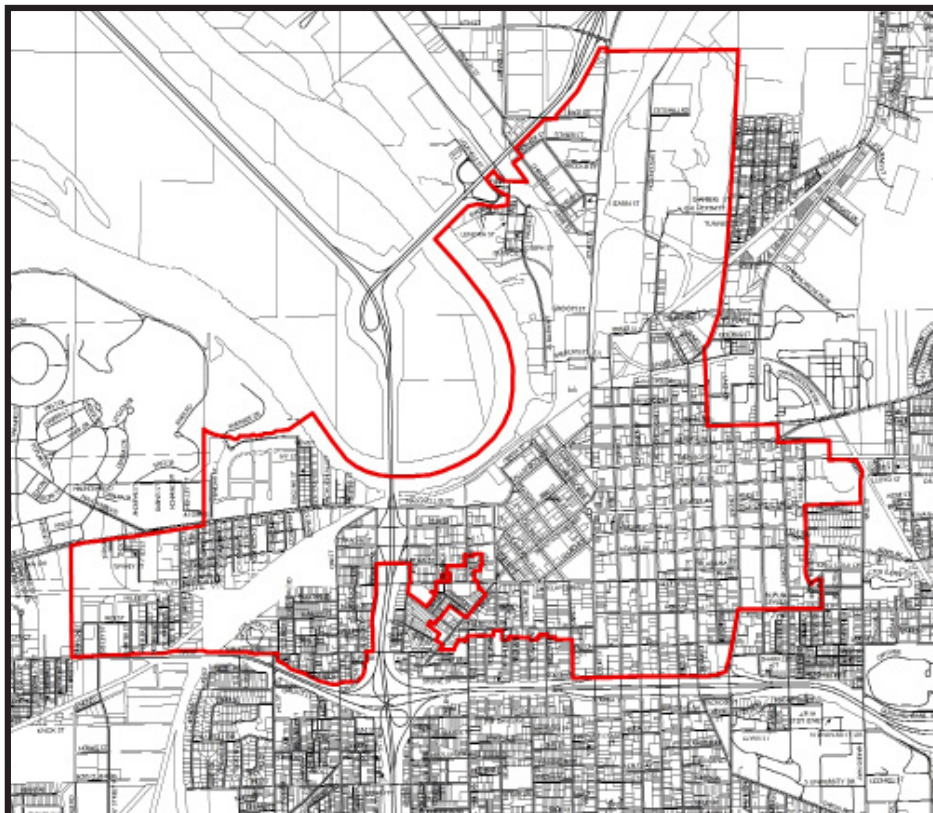


City of Montgomery Downtown Study Area Map

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 the Downtown Tax Increment Financing ("TIF") District. As of 2021, much of this City land has been sold for the development of an outdoor recreation facility and associated commercial spaces. The largest permit value of those projects to date is \$18 million with a combined total projected construction value of \$27 million.

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. As this 2021 report is being written, the City and the Chamber of Commerce have embarked on creating a new Downtown Action Plan. The boundaries being used for that new plan are slightly expanded from the 2007 Downtown Plan, specifically in the southwest part of the polygon. The public process began in late 2021 and is underway now in 2022. We will update the permit report study area boundaries next year.



City of Montgomery TIF District

Downtown Building Permit Data 2021

From January 2021 to the end of December 2021, there were one hundred and thirty-four (134) building permits issued in the Downtown Study Area. That number is comprised of distinct, trackable permits. It includes building permits for grading; there were one (1) 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 2021. 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 2021	\$24,051,549	\$27,250,531	88.26%
Estimated Cost of Construction per Permits from 2014 to 2021	\$202,629,566	\$271,565,693	74.62%

Largest Downtown Construction Permits by Construction Cost in 2021 - On A Single Permit

	Address and Building Information	Estimated Construction Cost
1	301 South Ripley, RSA, Office Alterations	\$ 9,270,916
2	305 South Perry, First Baptist Church, Fire Damage Repairs	\$ 4,500,000
3	100 South Perry, Montgomery County, Parking Deck Alteration	\$ 2,132,000
4	39 East Jefferson, Equal Justice Initiative, New	\$ 1,951,702
5	331 South Ripley, RSA, Office Alterations	\$ 1,806,117
6	428 South Perry, Legal Services of AL, Alterations for Offices	\$ 1,700,000
7	501 North Perry, Equal Justice Initiative, Alterations for Warehouse	\$ 1,078,347
8	100 North Union, RSA, Office Alterations	\$ 570,191
9	17 Coosa, 8 Commerce Partners LLC, Phase 1 Parking Deck Alterations	\$ 546,846
10	12 South Perry, Two Properties LLC, Commercial Alterations	\$ 495,430
	Total	\$ 24,051,549
	Downtown 2021	\$ 27,250,531
	Largest Permits as Percent of Downtown	88.26%
	Citywide 2021	\$ 234,609,682
	Largest Permits as a Percent of Citywide	10.25%

The data demonstrate the importance of largersized projects in Downtown Montgomery. The largest ten projects here make up more than 88 percent of the total construction costs reported in the Study Area. Those same largest ten projects also make up more than 10 percent of the total construction costs reported citywide in 2021.

Above, is the detail on the largest projects downtown based on single building permits pulled during calendar year 2021. Nine of the ten largest projects downtown in 2021 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.

To follow is more information about the 2021 projects in downtown.

Downtown Building Projects Summary 2021

301 South Ripley

RSA, Office Alterations

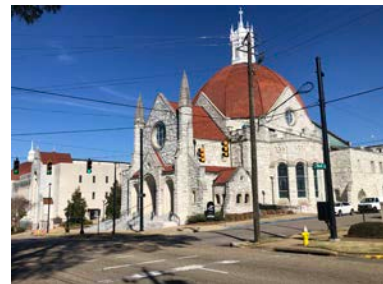
Estimated Construction Costs \$9,270,916



305 South Perry

First Baptist Church, Fire Damage Repairs

Estimated Construction Costs \$4,500,000



100 South Perry

Montgomery County, Parking Deck Alteration

Estimated Construction Costs \$2,132,000



39 East Jefferson

Equal Justice Initiative, New facilities

Estimated Construction Costs \$1,951,702

This multi-use development project is likely to have additional permits in future years.



331 South Ripley

RSA Office Alterations

Estimated Construction Costs \$1,806,117



428 South Perry

Legal Services of AL, Office Alterations
Estimated Construction Costs \$1,700,000



Note that as of this report, construction has stopped. The owner has conveyed that they expect to resume in 2022.

501 North Perry

Equal Justice Initiative, Alterations for Warehouse
Estimated Construction Costs \$1,078,347



100 North Union

RSA, Office Alterations
Estimated Construction Costs \$570,191



17 Coosa

8 Commerce Partners LLC,
Phase 1 Parking Deck Alterations
Estimated Construction Costs \$546,846

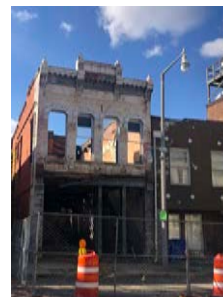
The use of the phrase “Phase One” in the permit suggests future work is expected.



12 South Perry

Two Properties LLC, Commercial Alterations
Estimated Construction Costs \$495,430

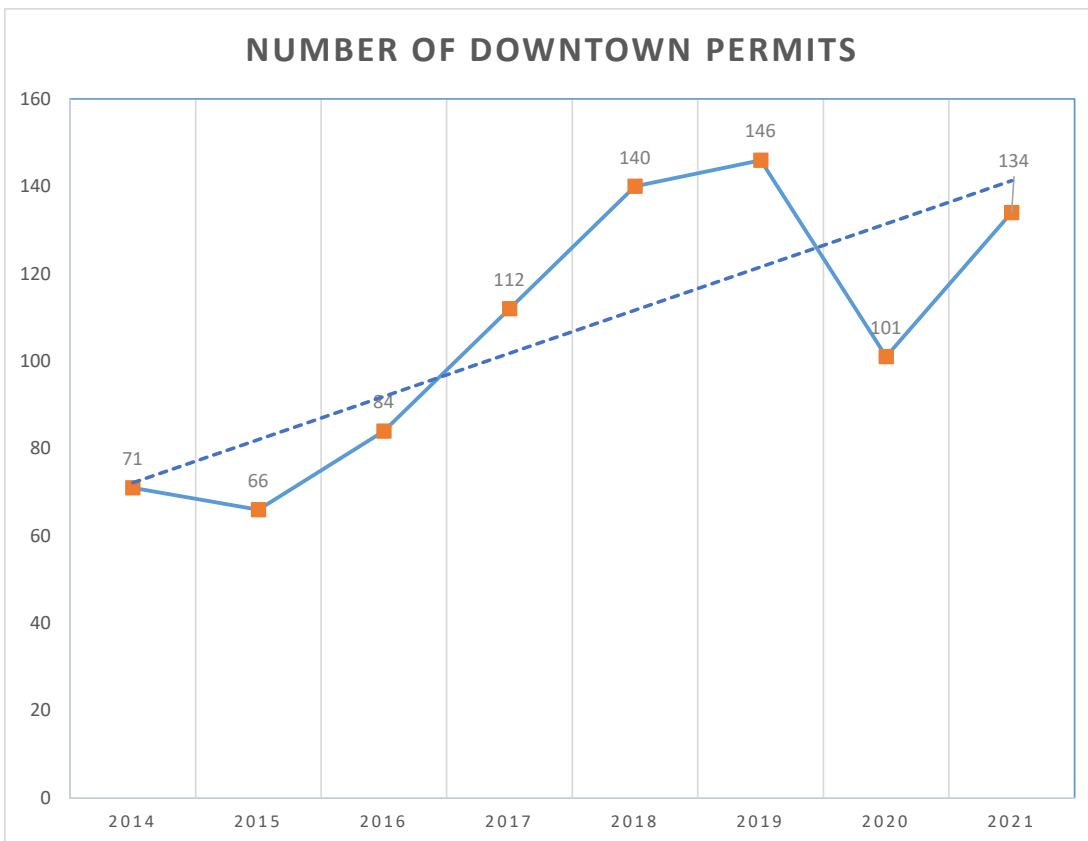
Unfortunately, before construction advanced significantly, the building was determined to be unsafe and demolition occurred.

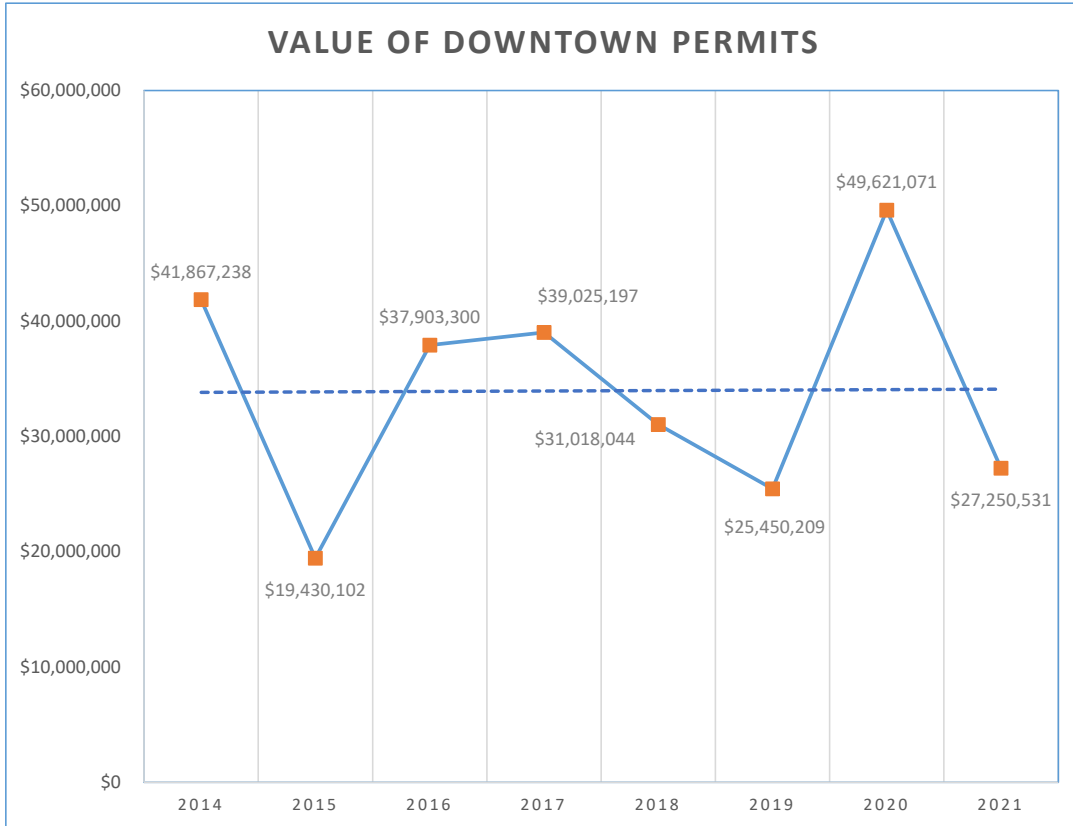


Downtown Building Permit Data 2014- 2021

Looking across the full eight years, from January 2014 to the end of December 2021, there were eight hundred and fifty four (854) building permits issued downtown. These are distinct, trackable permits and do not include any Mechanical, Plumbing, Electrical, or Gas Permits.

The following graph is illustrative of the number of building permits issued and how this has steadily increased over the years.





Across the eight years studied, there was more than \$271 million in estimated construction costs. Although the total number of permits issued in 2021 went up, the value of the estimated construction of those permits went down to \$27,250,531

The year 2020 saw the highest valuation of building permits during the study timeframe. The single largest project in the year 2020 was the EJL Legacy Pavilion at more than \$9 million.

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 2014-2021

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 additional 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.

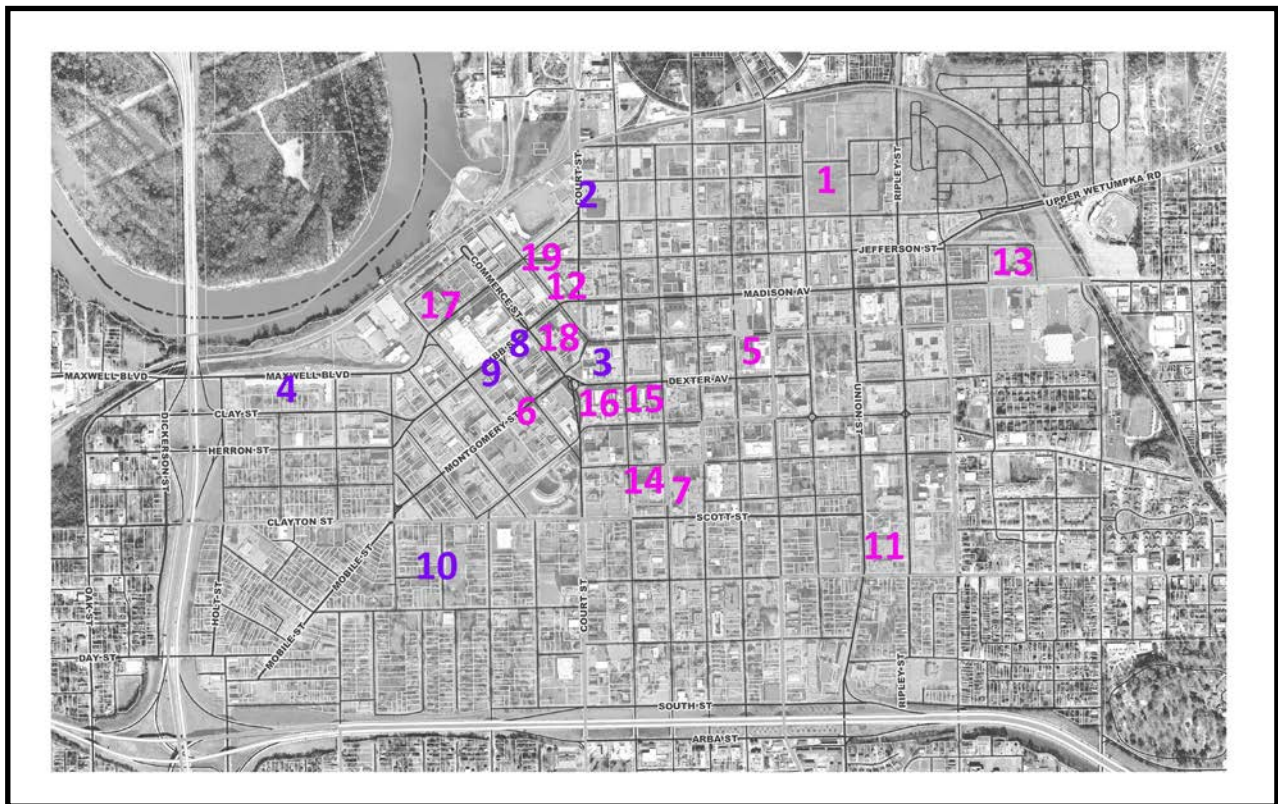
Largest Construction Projects by Construction Cost at Address 2014-2021

	Address and Building Information	Estimated Construction Cost
1	645 & 777 Columbus Street, Columbus Square Phases 1 and 2	\$ 23,998,240
2	401 North Perry, The EJI Legacy Pavilion and Addition	\$ 20,680,218
3	39 Dexter Avenue, The Kress Building	\$ 19,188,102
4	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000
5	445 Dexter Avenue, The RSA Building	\$ 17,460,080
6	207 Montgomery Street, The Bell Building	\$ 14,201,470
7	251 South Lawrence Street, Montgomery County	\$ 12,523,700
8	79 Commerce Street, 79 Commerce Building	\$ 10,465,200
9	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400
10	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000
11	301 South Ripley, RSA Office Building	\$ 9,270,916
12	116 & 124 Coosa Street, Marriott Autograph Hotel & Starbucks	\$ 6,150,000
13	1001 Madison Avenue, Montgomery Municipal Justice Center	\$ 4,849,000
14	305 South Perry, First Baptist Church, Fire Repairs	\$ 4,500,000
15	100 & 110 Dexter Avenue, The Courtyard on Dexter	\$ 4,478,000
16	36 Dexter Avenue, District 36 Lofts, The Belk Building	\$ 4,433,800
17	300 Tallapoosa Street, Embassy Suites Hotel	\$ 4,389,840
18	36 Commerce Street, Ravello Restaurant, City Federal Building	\$ 3,910,000
19	152 Coosa Street, SpringHill Suites Hotel, Bishop Parker Building	\$ 3,121,600
	Total	\$ 202,629,566
	Downtown 2014-2021	\$ 271,565,693
	Largest Projects as a Percent of All	74.62%

Locations and Distribution of Largest Projects 2014- 2021

The distribution of the largest multi-permit, multi-year projects with building permits pulled from January 2014 to the end of December 2021 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 nineteen highest value multi-permit projects.



Top private highest value permit projects.



Top highest value permit projects with development/rehabilitation agreements with City of Montgomery.

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 2014-2021 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.

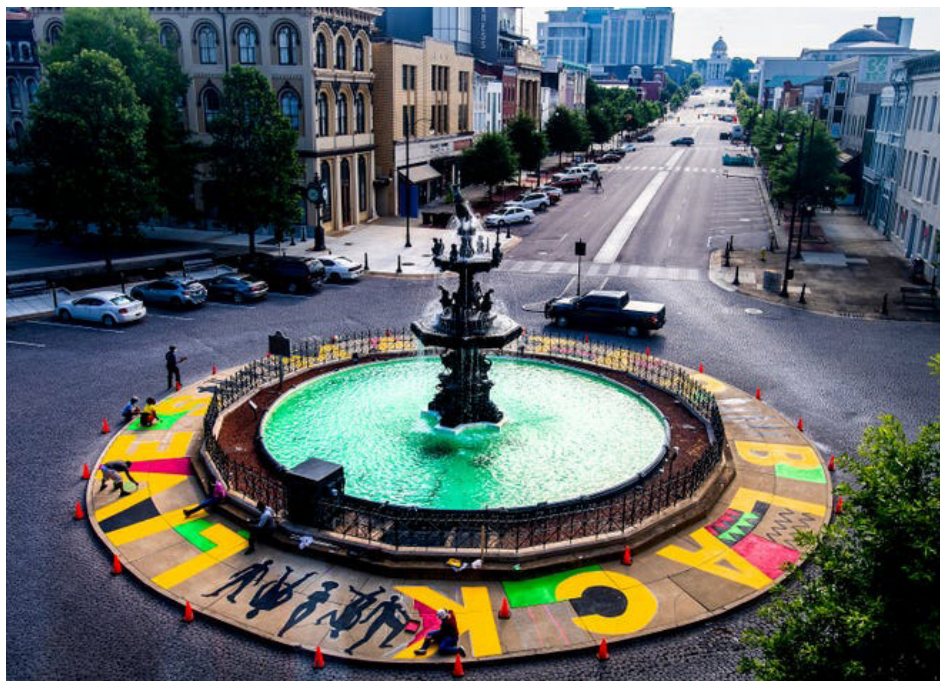
Address and Building Information		Estimated Construction Cost*
1	401 North Perry, The EJI Legacy Pavilion	\$ 20,680,218
2	39 Dexter Avenue, The Kress Building	\$ 19,188,102
3	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000
4	79 Commerce Street, 79 Commerce Building	\$ 10,465,200
5	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400
6	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000
7	25 Dexter Avenue, BRMD Investments	\$ 562,705
8	39 North Perry, Former Webber Building/Montgomery Theatre	\$ 387,000
9	1 Court Square, One Court Square Building	\$ 45,000
10	72 A&B Dexter Avenue (fka 58&62), Dexter Place II	\$ 40,000
11	15 Dexter Avenue, Joshua One Eight	\$ 35,600
Total		\$ 69,733,007
Downtown 2014-2021		\$ 271,565,693
City DA Projects as Percent of All		25.68%

Featured Projects

The following section of “Featured Major Projects” Downtown during the 2014 to 2021 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 was initially 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 fourth 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.



NON-BINDING CONCEPTUAL RENDERING
MAXWELL EAST APARTMENT DEVELOPMENT
MONTGOMERY, ALABAMA

STONERIVER COMPANY | WILLIAMS BLACKSTOCK ARCHITECTS
MARCH 11, 2014

WILLIAMS BLACKSTOCK ARCHITECTS

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 eighth 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 ninth 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

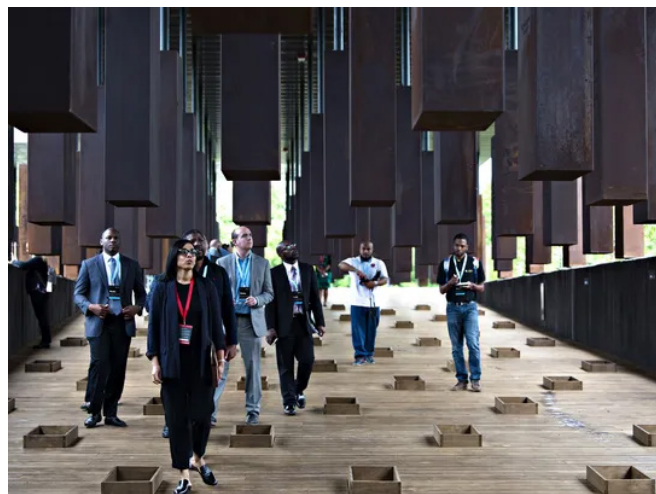
National Memorial for Peace and Justice, Memorial Garden and Memorial Center 417, 403 and 414 Caroline Street \$10,154,000 estimated cost of construction

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 tenth 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 \$19,188,102 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 third largest total multi-year, multi-permit project in Downtown across recent years with \$19,188,102 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 began moving 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. The ground floor is unfinished 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 sixth 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.

In 2021, on the same property EJI opened 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 the second largest value 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,
124 Coosa Street**

\$6,150,000 estimated cost of construction



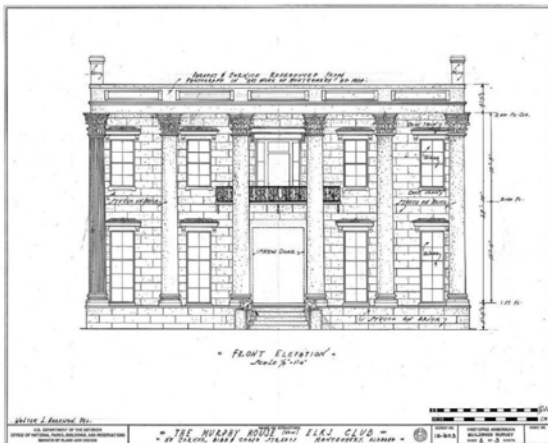
A renovation and addition at 116 Coosa Street was underway in 2021 and will result in a new Marriott Autograph Hotel with 113 rooms. It is just across the street from The Ally and newly renovated Rotary Park. It will occupy what was most recently the headquarters location of the Montgomery Waterworks 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 third largest for that year. As of this report, the total is expected to open in Fall 2022.



Renovation Project, Mixed Use-Residential

The Courtyard at 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 above. 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 has been underway in 2020, 2021 and continues in 2022.

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 fifteenth 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 and Montgomery Conference Center,
300 Tallapoosa Street
\$4,389,840 estimated cost of construction**

Built in 1995, the existing Embassy Suites Hotel and Montgomery Conference Center 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. The eight story atrium is connected with glass elevators. It is Montgomery's only all suite hotel.



With renovation work and signage occurring at this address in 2016, 2017, and 2018, the private investment reported on this property makes it the seventeenth largest total multi-year, multiple permit renovation in Downtown with \$4,389,840 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

\$4,433,800 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 Rock n Roll Sushi 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 sixteenth largest total multi-year, multi-permit project in Downtown across recent years with \$4,433,880 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



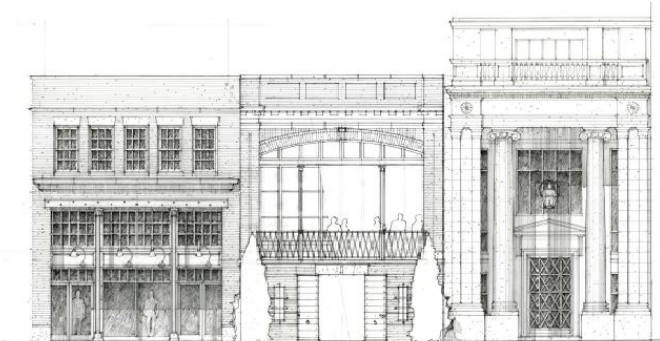
The renovation permitted to 36 Commerce Street was underway in 2021 and 2022 and will result in renovations at 36 and at 46 Commerce Street, where the former City Federal Savings & Loan Building is located. The two buildings will be flanked by a central, open air atrium and outdoor dining area.

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

Tom Blount.

Expected to open in 2022, 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.



PROPOSED COMMERCE STREET ELEVATION



Renovation Project, Hospitality

**SpringHill Suites Hotel, 152 Coosa Street
Bishop Parker Building
\$3,121,600 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 nineteenth largest multi-permitted project with \$3,121,600 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 2014 to 2021 time period for construction and development activity in downtown Montgomery found there was \$271.56 million in reported construction costs invested. That amount is 15.5 percent of the \$1.75 billion invested in city-wide during the same period.

To follow is the summary table for the downtown and citywide:

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	854	18,513	4.61%
Estimated Cost of Construction per Permits in 2021	\$27,250,531	\$234,609,682	11.62%
Estimated Cost of Construction per Permits from 2014 to 2021	\$271,565,693	\$1,750,093,022	15.52%
	Largest Downtown Projects	Downtown Study Area	Largest as a % of Downtown
Estimated Cost of Construction per Permits in 2021	\$24,051,549	\$27,250,531	88.26%
Estimated Cost of Construction per Permits from 2014 to 2021	\$202,629,566	\$271,565,693	74.62%

Looking ahead, we both need and expect downtown Montgomery’s revitalization to continue. In spite of the \$271.56 million of recent construction costs, there remain many parcels and buildings ripe for investment. In 2021, the City and the Chamber launched a focused effort to take the Envision Montgomery 2040 comprehensive plan and create a new “Downtown Action Plan.” The intention is to refresh established plans with community and stakeholder priorities, resulting in specific implementation items for downtown. The Downtown Action Plan process continues as of the writing of this report but is expected to provide concrete projects and to affirm the importance of downtown.

Despite the 2021 specific decline to \$27.25 million from a 2020 high of \$49.62 million, a rebound seems all but assured in the construction values for 2022 calendar year.

As in prior years, renovations and tenants improvements involved in RSA and state buildings remained a large part of value of construction in downtown. This is likely only to increase, as there are predevelopment discussions about a new, large RSA project being designed adjacent to current RSA property south of the Capitol Complex, bordering the Centennial Hill neighborhood. This could have a great impact on that area and on the 2022 and/or 2023 construction numbers for downtown.

Notably, a good number of the largest projects from report years 2019 and 2020 continued to be under construction during 2021, even though they did not make the 2021 largest projects list. The pace of completion did seem to slow during the pandemic, consistent with the construction industry as a whole across the country. Projects slowed, but they are still under construction. For example, the Marriott Autograph brand, Hotel Trilogy, is now targeting Fall 2022 to open. The City Fed building at 36 Commerce is still wrapping up its renovation; the Ravello Restaurant is expected to open in 2022 and to have a large impact on downtown's upscale cuisine options. Similarly, the 100 Dexter Avenue project is still under renovation as of the report writing; additionally, the 10 High Street project is still under renovation.

Looking forward, the trend continues for investments to have great geographic diversity across downtown. Revitalization is no longer just around the Alley or Dexter Avenue and this is great news.

The Equal Justice Initiative began site preparation work in 2021 on new properties in the areas to the north and to the south of the Legacy Pavilion on North Court Street. And to the east of the Legacy Pavilion, at 400 North Perry, a grading permit has been pulled suggesting a large hotel development may at last be moving forward in 2022 and 2023.

In south downtown, the news of the Grove Court Apartments being sold in 2021 was met with great response; the new owners immediately stabilized it with fencing and the trash was removed in 2021. Hopefully design work is underway for 2022 or 2023 construction.

Momentum also continues along the Selma to Montgomery Voting Rights Trail. After a pandemic delay, Tuskegee University is again moving forward on a new Urban Agriculture Innovation Center at Grady and Mobile Streets. Also, the Cottage Hill area, including Five Points has started to see a flurry of new small businesses and property renovations.



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



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