

Downtown Montgomery

Building Permits & Projects Report

2014-2019

February 14, 2020



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 2019. The data presented herein describe the number of City building permits issued and the estimated construction values of those permits during the most recent six-year period. The report provides data that can be independently verified and independently replicated thanks in part to Open Data Montgomery, a new web-platform comprising high-value data published in an engaging and open format available free to the public at <https://data.montgomeryal.gov/>. With the City of Montgomery’s new Open Data Montgomery approach, this is information that others – for example, future investors, banks, researchers – can also access.

Montgomery’s downtown revitalization has now 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. In 2020, the narrative about downtown revitalization is clearly not an anecdote, nor is it based on public dollars. The land area of Downtown is barely more than one percent of the land of the city as a whole. **Just under \$195 million in reported construction values have been invested in Downtown from 2014 to 2019, which is 15.21 percent of the \$1.28 billion invested City-wide.**

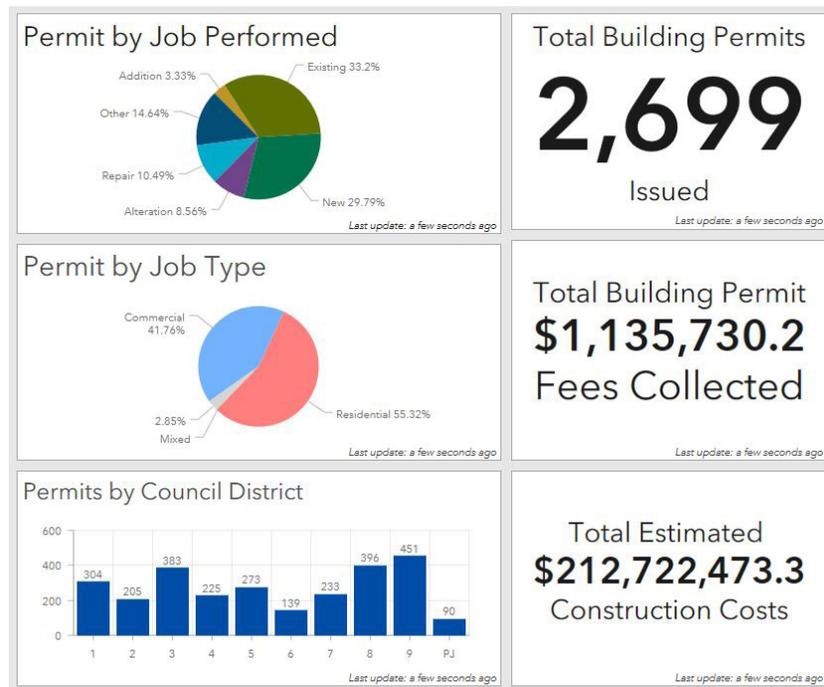
Study Timeframe 2014-2019			
	Downtown Study Area	City as a Whole	Downtown as a % of the City
Land Base in Square Miles	1.69	163	1.04%
Unique Building Permits	619	13,406	4.62%
Estimated Cost of Construction per Permits	\$194,694,091	\$1,280,037,547	15.21%
	Largest Downtown Projects	Downtown Study Area	Largest as a % of Downtown
Estimated Cost of Construction per Permits	\$153,285,748	\$194,694,091	78.73%

This report covers permitted, Downtown construction projects. While there where and continue to be 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 or other property development related professional services. These costs would represent significant private investments in and of themselves – and are often wrapped into estimates provided by developers to the newspaper, for example. However, these data are not consistently available across all the projects nor are they public.

Open Data for 2019 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 in the required format.

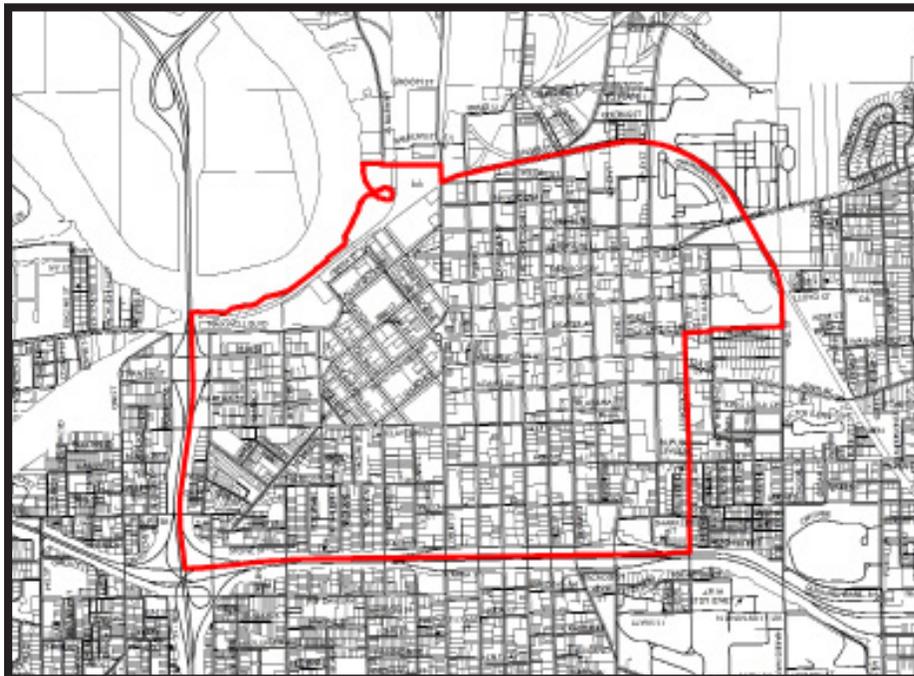
City-wide building permit data has become increasingly easy to access, advancing significantly since the first year of this report with more improvements last year. To follow are graphics from the City’s ArcGIS platform to show how these permit breakdown as a whole, and across each of the nine City Council Districts and the police jurisdiction. In 2019, there were 2,699 building permits issued, with a total estimated construction costs of \$212,722, 273.30.



Downtown Study Area

The *Riverfront and Downtown Montgomery Plan* (2001), the *Downtown Montgomery Plan* (2007), and the work underway as of the writing of this report to update the City's Comprehensive Plan – to be called *Envision 2040* -- 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 is a combination of Council Districts 3 and 7. Interstate 65 is the easternmost 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 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 to ensure that the hard, specific numbers were available to support and demonstrate Downtown's growth.

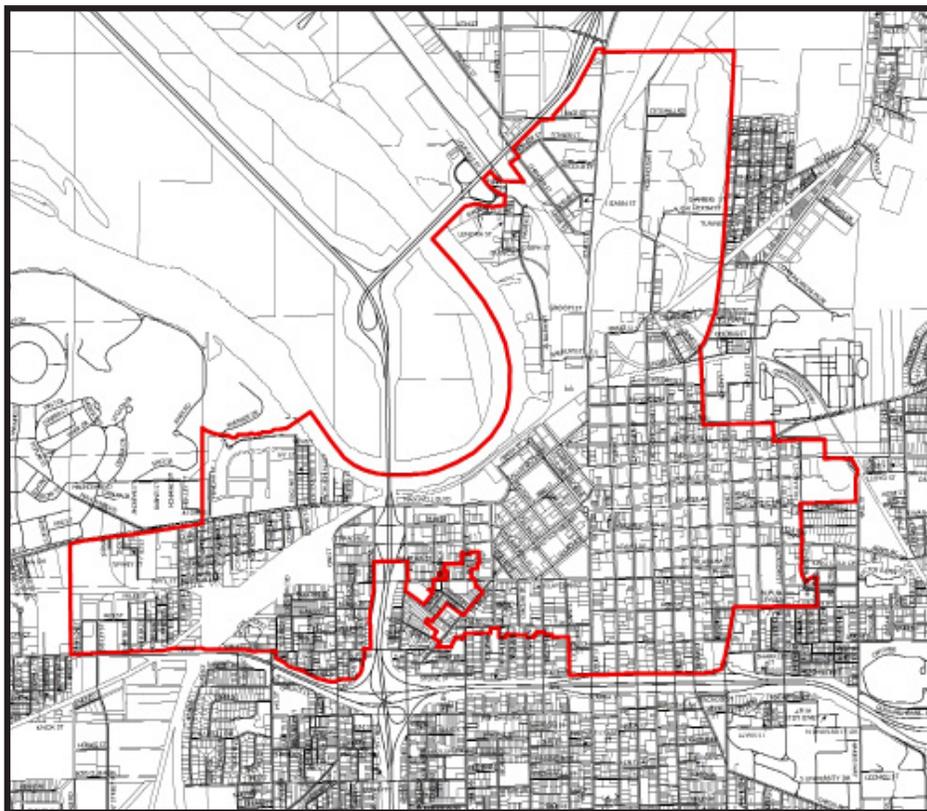


City of Montgomery Downtown Study Area Map

Three areas were considered initially for inclusion but are not part of this report. First, the Study Area leaves out the Centennial Hill and Oak Park areas in the southeast of Downtown. This means we are missing large recent projects, including the Centennial Hill Plaza housing development and any renovations in the vicinity of Jackson Hospital.

Second, the Study Area leaves out Maxwell Boulevard, west of Interstate 65. The City owns a substantial amount of property in this area. While much of this City property is “SmartCode” zoned, and this area is included in the Downtown Tax Increment Financing (“TIF”) District, we determined the area could be included in the future should redevelopment begin.

Finally, the Study Area leaves out 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 2019

From January 2019 to the end of December 2019, there were one hundred forty six (146) building permits issued in the Downtown Study Area. That number is comprised of distinct, trackable permits. It includes building permits for grading; there were three 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. 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. The work involved in reviewing and sorting of the entire City list – some 13,406 permits – to verify these numbers was substantial in the first year of running this report. However, now in year two we have increasing confidence that there are no duplicates.

Another, perhaps obvious, 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, aka 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; so again, we have confidence in this being the conservative number.

The largest ten projects downtown in 2019, make up nearly 90 percent of the total construction costs reported. To follow is a table of these largest projects issued a single permit in 2019.

Largest Downtown Construction Projects by Construction Cost in 2019 - Single Permit

	Address and Building Information	Estimated Construction Cost
1	401 North Perry, The EJI Legacy Pavilion	\$ 9,430,418.00
2	100 Dexter Avenue, The Courtyard on Dexter	\$ 4,300,000.00
3	445 Dexter Avenue, RSA Building, Employees Retirement System of AL	\$ 2,517,200.00
4	318 Madison Avenue, Circle K Store	\$ 2,443,727.00
5	250 South McDonough Street, Montgomery County Jail	\$ 1,409,000.00
6	534 Rosa Parks Avenue, Rosa Parks Apartments	\$ 700,000.00
7	10 High Street, Durr Building Apartments	\$ 600,000.00
8	23 South Court Street, Commercial Renovation	\$ 575,000.00
9	445 Dexter Avenue, RSA Building, Employees Retirement System of AL	\$ 447,800.00
10	201 Monroe Street, RSA Building, Employees Retirement System of AL	\$ 310,000.00
	Total	\$ 22,733,145.00
	Downtown 2019	\$ 25,450,209.00
	Percent of	89.32%
	Citywide 2019	\$ 212,722,473.30
	Percent of	10.69%

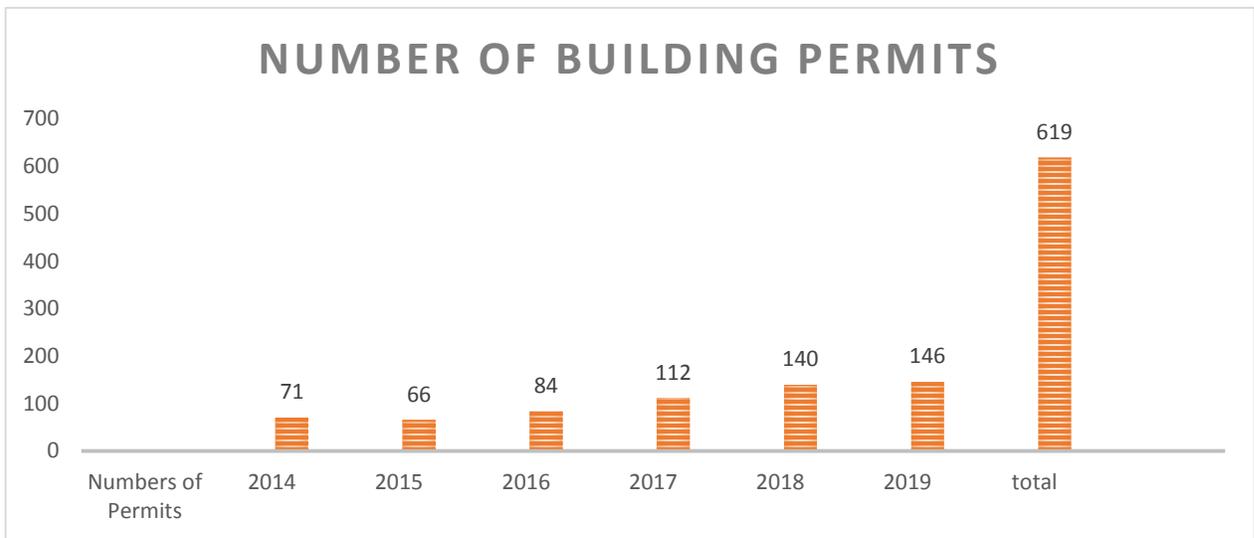
The chart of projects demonstrates the importance of large projects to Downtown. In fact, the largest ten projects downtown in 2019, make up nearly 90 percent of the total construction costs reported in the Study Area. Those same largest ten projects also make up more than 10 percent of the total construction costs reported citywide in 2019.

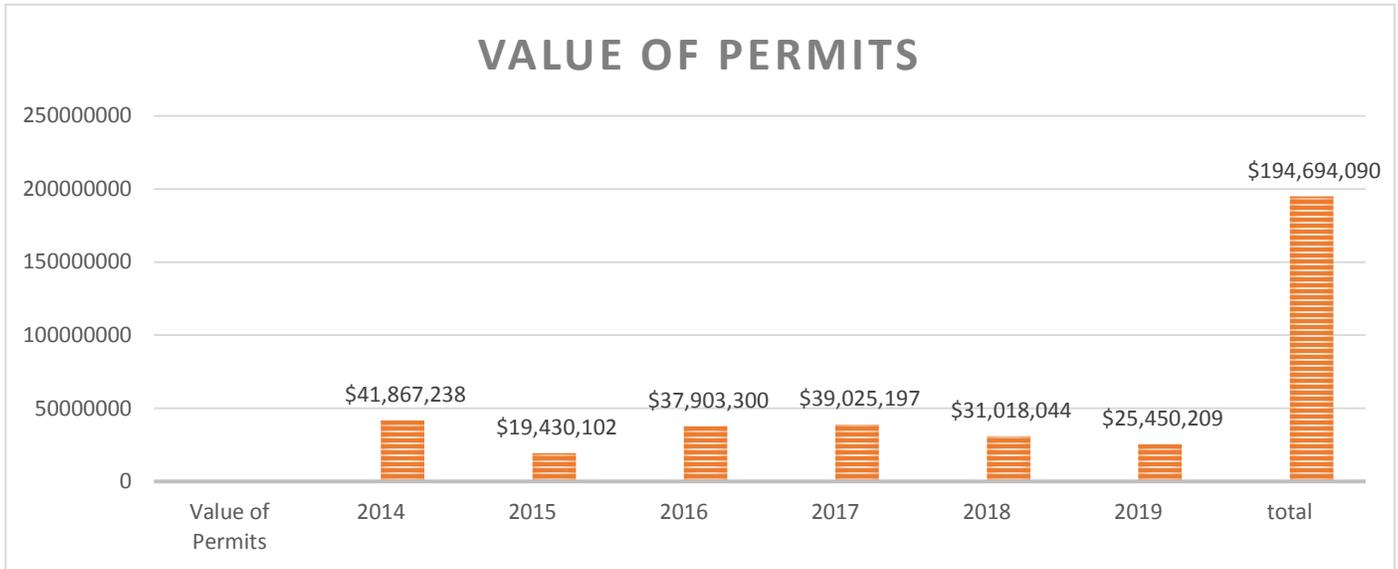
Four of the largest projects downtown in 2019 are permits pulled for renovations and/or tenant improvements within existing public buildings, including the Employees Retirement System of Alabama buildings and the Montgomery County Jail. Three of the renovations on existing buildings will be adding new downtown residential units. Because “retail follows rooftops” as the old adage notes, that is an interesting trend to note and to hope continues. Those renovations for residential are on Dexter Avenue, High Street, and on Rosa Parks Avenue just south of Mildred Street.

Downtown Building Permit Data 2014- 2019

Looking across the full six years, from January 2014 to the end of December 2019, there were six hundred nineteen (619) building permits issued. As noted in the section before, there are various disclaimers to the data and clarifications. That number is comprised of distinct, trackable permits. It includes building permits for grading; there were twelve 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. The 619 building permits 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 downtown over each of the last six years.





Across the six years we studied, there just under \$195 million in estimated construction costs. The year 2014 saw the highest valuation of building permits during the time frame, at nearly \$42 million in construction cost estimated value. The single highest project in that year, The Heights project at 605 Maxwell Boulevard, was the major driver of estimated construction cost value in 2014. Despite having only one percent of the city’s land base, the Study Area consistently had a significant percentage of the city’s cost of construction.

Largest Projects from 2014-2019

Most major projects span calendar years. Sometimes this occurs because of the phasing or components of projects; sometimes this is occurring because items like building signage and tenant improvements are permitted separately for a project with the same address and parcel number.

The highest fourteen (14) multi-permit, multi-year projects by address are described in this section below as “Featured Major Projects” during the January 2014 to December 2019 timeframe. 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 2014-2019		
	Address and Building Information	Estimated Construction Cost
1	645 & 777 Columbus Street, Columbus Square Phases 1 and 2	\$ 23,998,240.00
2	39 Dexter Avenue, The Kress Building	\$ 19,083,900.00
3	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000.00
4	445 Dexter Avenue, The RSA Building	\$ 16,080,480.00
5	207 Montgomery Street, The Bell Building	\$ 14,201,470.00
6	79 Commerce Street, 79 Commerce Building	\$ 10,465,200.00
7	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400.00
8	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000.00
9	401 North Perry, The EJI Legacy Pavilion	\$ 9,620,418.00
10	1001 Madison Avenue, Montgomery Municipal Justice Center	\$ 4,849,000.00
11	100 & 110 Dexter Avenue, The Courtyard on Dexter	\$ 4,478,000.00
12	300 Tallapoosa Street, Embassy Suites Hotel	\$ 4,237,840.00
13	36 Dexter Avenue, District 36 Lofts, The Belk Building	\$ 4,158,800.00
14	152 Coosa Street, SpringHill Suites Hotel, Bishop Parker Building	\$ 3,103,000.00
	Total	\$ 153,285,748.00
	Downtown 2014-2019	\$ 194,694,091.00
	Percent of	78.73%
	Citywide 2014-2019	\$ 1,280,037,547.30
	Percent of	11.98%

Locations and Distribution of Largest Projects 2014- 2019

The distribution of the largest multi-permit, multi-year projects with building permits pulled from January 2014 to the end of December 2019 is scattered across different areas downtown. Below is a map showing the distribution of these large projects. On-line, there is a virtual tour of these projects in the GIS “Story Map” format



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

Interestingly the largest downtown projects show quite a mix of new construction and renovation projects. They represent a complete mix of hospitality based projects, public building projects. And they also include development projects that resulted from the sales of strategic, City-owned properties. These are properties that were conveyed to developers committing to private investment through development or rehabilitation agreements.

Some of the properties with development or rehabilitation agreements had construction activity during the 2014-2019 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 development/rehabilitation agreement projects make up more than forty (40) 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	39 Dexter Avenue, The Kress Building	\$ 19,083,900.00
2	605 Maxwell Boulevard, The Heights Apartments	\$ 18,631,000.00
3	79 Commerce Street, 79 Commerce Building	\$ 10,465,200.00
4	275 Lee Street, Staybridge Suites Hotel	\$ 10,224,400.00
5	403, 414 & 417 Caroline Street, National Memorial for Peace and Justice	\$ 10,154,000.00
6	401 North Perry, The EJI Legacy Pavilion	\$ 9,620,418.00
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		\$ 79,249,223.00
Downtown 2014-2019		\$ 194,694,091.00
Percent of		40.70%
Citywide 2014-2019		\$ 1,280,037,547.30
Percent of		6.19%

Featured Projects

The following section of “Featured Major Projects” Downtown during the 2014 to 2019 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, Courtyard at Dexter Avenue, Embassy Suites Hotel, the Belk 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.



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 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

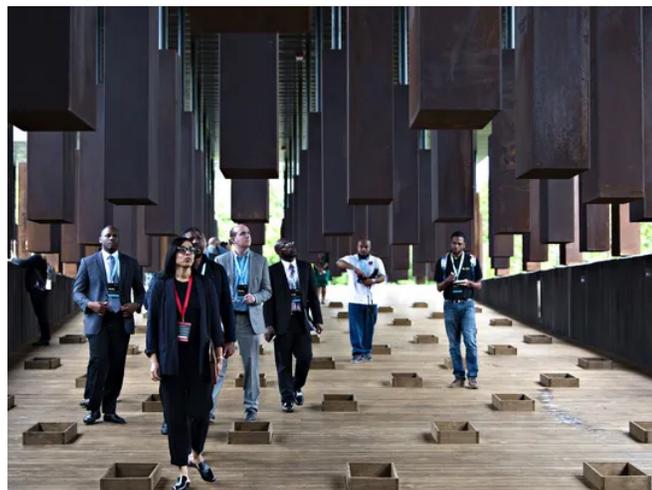
National Memorial for Peace and Justice, Memorial Garden and Memorial Center 417, 403 and 414 Caroline Street \$10,154,000 estimated cost of construction

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 the report no additional permits had been pulled.



Renovation Project, Civic & Commercial

The EJI Legacy Pavilion, 401 North Perry Street
\$9,620,418 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.

Adding together the permits of EJI, this project was the largest in 2019, and it represents the ninth largest total multi-year, multi-permitted construction in Downtown across recent years with \$9,620,418 cumulatively in total estimated construction values for all those permits.

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, 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

**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 2019 construction and development activity in Downtown Montgomery found there was just under \$195 million in reported construction costs invested in Downtown from 2014 to 2019. That amount is 15.21 percent of the \$1.28 billion invested City-wide in the same timeframe.

Study Timeframe 2014-2019			
	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	619	13,406	4.62%
Estimated Cost of Construction per Permits	\$194,694,091	\$1,280,037,547	15.21%
	Largest Downtown Projects	Downtown Study Area	Largest as a % of Downtown
Estimated Cost of Construction per Permits	\$153,285,748	\$194,694,091	78.73%

Looking ahead, we both need and expect Downtown Montgomery’s revitalization to continue. In spite of that \$195 million of construction costs, there remain many parcels and buildings ripe for investment. *The Downtown Montgomery Plan* called out a list of elements that define “vibrant downtowns,” 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. 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 En-

ertainment 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. Bibb Street is seeing new activity, including the opening of the new Staybridge Suites at Lee Street and the success of a new pizza restaurant and a new local brewery at Catoma Street.

On Dexter Avenue, which has seen so much investment recently including notably at the Kress Building and Belk Buildings, for example, 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, renovation did start on 100 Dexter Avenue in 2019. Also, a number of important properties are up for sale as of this report, including the Winter Building and the Klein Building both of which sit prominently right at the historic Court Square Fountain intersection.

The impacts of the Equal Justice Initiative's investments are starting to be seen. Within the Downtown Study Area we would expect investment in Five Points and Cottage Hill to continue to increase as a result of the Memorial project. Nearby, on Rosa Parks Avenue, a long vacant apartment building was purchased and fully renovated into 60 residential units in 2019. Nearby, along Mobile Street, in 2019, the City began work to revitalize the fifty plus properties that it owns. Creative partnerships with Tuskegee University's Urban Agriculture Innovation Center and nonprofit affordable housing developers are hoped to spark renewed interest in this southwest corner of the downtown study area.

The first two phases of Columbus Square are completed, adding 160 units of downtown housing, and future phases are planned for the construction of another 80 residential units. New commercial investments have followed in the last year, including a Circle K facility and a new Wendy's restaurant just blocks to the south of the Columbus Square, both on Madison Avenue.

Another reason to be optimistic about Downtown is the catalytic potential of the strategic sites of yet unsold/undeveloped City-owned land. Nearly three full City blocks were owned along Columbus Street, north of Madison Avenue. In mid-November 2018, the first of those blocks at 401 North Perry sold to the Equal Justice Initiative resulting in a wholly new project that opened in early 2020 and proved to be the highest single permit issued in 2019.



In December 2018, the second of those blocks went under contract to a regional developer at 400 North Perry; that property did close in 2019. The property was approved by the Planning Commission to be rezoned from T4 to the more dense T5 zoning; plans are expected to be submitted for construction in 2020. The third block to the east, adjacent to Old Alabama Town, is not expected to be sold, but to remain as publicly available parking. In late 2019, a full block of City owned land at 924 Madison Avenue went under contract to a private developer. This is the site of the former State House Inn and is currently a parking lot. As of the writing of this report, the sale of that Madison Avenue property had not yet closed but should it proceed to development it would be yet another large project worth tens of millions of dollars in private investment.

We welcome feedback 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.



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