

ECONOMIC DEVELOPMENT
GROWTH ENGINE
FOR MEMPHIS & SHELBY COUNTY

EDGE NEED GRANT AGREEMENT

Grant from EDGE to Crosstown Curb Market, Inc. ("Grantee") in the amount of \$5,000 ("Grant") from January 12, 2021 ("Effective Date") through January 31, 2024 (the "Effective Period").

This Grant Agreement ("Agreement") is entered into as of the Effective Date by and between the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee ("EDGE") and Grantee, with respect to the following:

PRELIMINARY STATEMENTS

A. EDGE has made available funding for economic development initiatives in response to the COVID-19 pandemic that impose significant financial hardships on the city of Memphis and especially in the areas containing property that qualify as Federal New Markets Tax Credit Eligible Tracts.

B. Grantee is a small business (defined as having less than \$1,000,000.00 in annual gross revenue) that has suffered at least a 25% reduction in gross revenue due to the COVID-19 pandemic.

C. EDGE has determined that the Grant to Grantee, for the purposes and on the terms and conditions stated below in this Agreement, will further EDGE's economic development purposes by funding the activities described in the Grantee's grant application and evaluation memo presented to the Economic Development Finance Committee attached and incorporated as Attachment A.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual obligations created hereby, EDGE and Grantee agree as follows:

1. **Grant Amount, Disbursement and Time Period.** Upon Grantee's execution and delivery of this Agreement to EDGE, EDGE shall disburse the Grant to Grantee in the form of a check or wire transfer. The effective period for this grant is for the Effective Period.

2. **Purpose and Specific Uses of Grant.** EDGE is making this grant in furtherance of the economic development initiative set forth in Attachment A. Any changes in the purposes or use for which grant funds are spent must be approved in writing by EDGE before implementation.

3. **Reporting by Grantee.** Starting December 31, 2020 from the Effective Date, and continuing on each June 30 and December 31 until thirty-six (36) months after the grant funds are expended in full or the grant is otherwise terminated, Grantee shall submit a full and complete report to EDGE within five (5) days after the close of such period. The report shall be in the form attached hereto as Attachment B.

Such report shall describe the progress that Grantee has made toward achieving the purposes for which this grant was made both for the period and over the term of the grant, including: all expenditures made from the granted funds and the associated matching funds; grant-related activities; metrics achieved as outlined in the grant application (e.g., retained jobs, salaries, and capital investments); and shall report on the Grantee's compliance with the terms of this grant during that fiscal year. Each such report shall be signed and certified by an authorized officer or director.

4. **Recordkeeping and Accounting.** Grantee shall keep records and receipts to substantiate such expenditures as well as expenditures made with maturing funds. Grantee shall make such books and records available to EDGE at reasonable times, as requested by EDGE. Grantee shall keep copies of all books and records and all reports to EDGE for at least four years after completion of the use of the grant funds. EDGE is hereby authorized to conduct an audit of Grantee's books and records, and Grantee shall cooperate fully with any such audit authorized or conducted by EDGE.

5. **Prohibited Uses.** Grantee shall not use any portion of the funds granted herein, or any income therefrom:

a. To undertake any of the following activities:

- Liquor and tobacco stores
- Adult entertainment and product stores
- Pawnshop, Payday loans, Title loan establishments
- Car dealerships
- Ministorage
- Gas Stations
- Financial businesses primarily engaged in lending
- Real estate development or rental businesses
- Insurance companies
- Private clubs
- Non-profit agencies
- Home-based businesses
- Others at the discretion of the Economic Development Finance Committee

b. To violate any state, federal or local law or regulation.

6. **Notice of Changes.** Grantee shall notify EDGE immediately of any change in Grantee's status, personnel, or funding that may impair the ability of the Grantee to fulfill its obligations under this Agreement.

7. **Indemnification.** Grantee hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless EDGE, its officers, directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable attorneys' fees) directly, indirectly, wholly, or partially arising from or in connection with any act or

omission of Grantee, its directors, officers, employees, or agents, in applying for or accepting the grant, in expending or applying the funds furnished pursuant to the grant or in carrying out the program or project to be funded or financed by the grant, except to the extent that such claims, liabilities, losses, or expenses arise from or in connection with any act or omission of EDGE, its officers, directors, employees or agents.

8. **Remedies.** In the event that Grantee violates or fails to carry out any provision of this Agreement, EDGE may, in addition to any other legal remedies it may have, refuse to make any further grant payments to Grantee, and EDGE may demand the return of all or part of the unexpended grant funds, which the Grantee shall immediately repay to EDGE.

9. **Governing Law.** This Agreement shall be construed in accordance with, and governed by, the laws of Tennessee. Any action brought to enforce the terms of this Agreement shall be brought in the appropriate state court located in Shelby County, Tennessee. EDGE shall be awarded its attorneys fees and expenses for this Agreement.

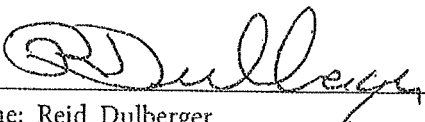
10. **Entire Agreement; Amendments and Waivers.** This Agreement shall supersede any prior oral or written understandings or communications between the parties hereto and constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may not be amended or modified, except in a writing signed by both parties hereto.

11. **Counterparts.** This Agreement may be signed in counterparts, meaning that the Agreement is valid if signed by both parties, even if the signatures of the parties appear on separate copies of the same Agreement rather than on a single document.

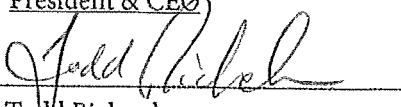
IN WITNESS WHEREOF, the parties have caused this Grant Agreement to be executed on the dates set forth below.

Economic Development Growth Engine
Industrial Development Board of the City of
Memphis and County of Shelby, Tennessee

Date: 1/12/2021

By: 
Name: Reid Dulberger
Title: President & CEO

Date: 1/12/2021

By: 
Name: Todd Richardson
Title: President

Attachment A
Grant Application

Business Information

Please fill out your information on the lines below.

Business Name Crosstown Corp Market, Inc.

Business Address, City, State, Zip 1350 Concourse Ave #163 Men TN 38104

Business Telephone 901-453-6880

Type of Business Neighborhood grocery, hot bar, deli, catering

Description Hot food sales Mon-Fri, grocery store all week.

Business Structure (Sole Proprietor, LLC, C-Corp, Partnership, S-Corp) C Corp

Year Incorporated 2019 Date opened at current location 2017

Federal Employer Identification Number (EIN) or Social Security Number if Sole Proprietor



Minority or Woman-Owned Firm. Yes No If yes, certified? Yes No

By which certifying entity? _____

Number of full and part-time employees as of 2/1/2020 and their weekly total wages (include the owner(s) if paid by the business). FT 2 PT 13

Describe employee benefits, if any (e.g., medical insurance, dental or vision insurance, retirement plan, etc.)

Company pay 50% of cost of BCBS plan for 2 full time employees, no other benefits offered.

Have you registered for advising with TSBDC? Yes No

Have you received an initial TSBDC assessment? Yes No

Have you scheduled a follow-up counseling session with TSBDC? Yes No

Owner Information (for all owners of more than 20% of business)

Owner's Name(s) see attachment # 1

Home Address, City, State, Zip _____

Home Telephone _____

Email _____

Owner's Name(s) _____

Home Address, City, State, Zip _____

Home Telephone _____

Email _____

Owner's Name(s) _____

Home Address, City, State, Zip _____

Home Telephone _____

Email _____

Owner's Name(s) _____

Home Address, City, State, Zip _____

Home Telephone _____

Email _____

Does the business, or any individuals owning more than 20 percent of the business, owe back taxes to the City of Memphis or Shelby County? Yes No

If so, attach an explanation of how that is being satisfied along with a copy of the payment plan.

Are any individuals owning more than 20 percent of the business or the business itself involved in any lawsuits? Yes No If so, please attach an explanation with a copy of the complaint.

Crosstown Curb Market, Inc
NEED Grant application

ATTACHMENT #1

created	6/27/19
started business	7/1/2019
business entity	C corp--TN
EIN	84-2223248
100% owner	Crosstown Redevelopment Cooperative Association EIN 47-2073263 Todd Richardson--secretary SSN 428-57-6307 todd@crosstownconcourse.com
general manager	Randall Thomas randall@curbmarket90.com 901-486-5722
store phone	901-453-6880

The Curb Market has been in existence since 2016 and moved to the Crosstown Concourse in August 2017. In June 2019 The Curb Market was sold by the owners and purchased 100% by Crosstown Redevelopment Cooperative Association(COOP). The newly formed company, Crosstown Curb Market, Inc., is a Tennessee C-corporation. The new 100% owner, "COOP", is a non profit corporation formed to facilitate the redevelopment of the Crosstown Concourse. Todd Richardson is president of The Curb Market and secretary of the COOP.

Economic Injury to Business

	March 2020	Last Full Month of Operation Prior to Application
Business Revenue		
Part Time Employees		
Full Time Employees		
Total Payroll		

In one page or less describe the impact of COVID-19 on your business including but not limited to:

- Employee or payroll reductions (Number of employees on March 1 vs. at time of application)
- Sales and revenue decreases
- Supplier interruptions
- Customer interruptions
- Ability to satisfy debts and obligations

While supplementary \$5,000 grant request applicants do not need to provide the above chart information, a one-page written description of the subsequent shutdown impact on the business must be provided.

See attachment #2

Crosstown Curb Market, Inc
NEED Grant application

ATTACHMENT #2

The Curb Market prepared food sales is dependent on the employers in the Concourse to be fully staffed. Their employees are the life line for our hot bar lunch and deli sales. When the largest employer in the Concourse, Methodist corporate, decided to work from home our business dropped dramatically, and we found it necessary to stop all hot prepared food business. In addition to the loss of hot bar sales we completely lost the revenue from all scheduled catering events.

Large employers in the concourse who's employees frequent The Curb Market, and who closed down or sent employees home due to the COVID-19 pandemic.

- Methodist Hospital corporate
- Crosstown Arts
- Greem Room, Crosstown Theater, Art Bar
- Crosstown High School
- Church Health Center
- YMCA
- Memphis Education Fund
- Pyramid Peak Foundation
- City Leadership
- The Urban Child Institute

Since our original NEED grant application we have reopened the hot bar and deli. Sales in the mid summer and early fall seemed to be recovering some what, but when the second covid wave hit in the late fall our sales dropped again. The below prepared food sales charts reflects this latest drop in sales.

	j	f	m	a	m	j	j	a	s	o	n	d
2020 sales	44,373.02	43,176.62	28,464.23	3,414.48	5,339.54	14,037.40	15,872.75	16,263.64	14,819.79	14,790.46	10,999.48	10,670.01
deli	3,764.85	5,528.72	5,636.70	3,746.00	-	1,070.00	-	102.80	200.00	2,173.83	361.00	1,650.00
catering	3,471.11	3,869.44	5,084.35	2,908.07	2,878.62	3,551.02	4,250.51	5,068.56	3,932.40	4,264.71	3,150.79	2,741.74
total prepared foods	51,608.98	52,574.78	39,185.28	10,068.55	8,218.16	18,658.42	20,123.26	21,435.00	18,952.19	21,229.00	14,511.27	15,061.75

Stabilization and Recovery Plan

In one page or less describe steps to be taken to survive and recover from COVID-19 slow-down or interruption including but not limited to:

- Addressing customer interruptions and rebuilding sales, including marketing plans
- Addressing supplier interruptions
- Satisfying any outstanding financial claims, including vendors, bank/other debt, taxes, utility charges, etc.
- Any changes to the way the business operates
- Number and type of employees needed during application period
- Key budget items
- How the EDGE NEED Grant funds will be used
- Other funds to be used for the survival and recovery of the business

See attachment #3

Crosstown Curb Market, Inc. NEED Grant application

Attachment #3

We are working towards recovering from 50% loss in our monthly sales that is a direct result of the Covid-19 pandemic. Despite the drop in sales and loss of customers, we have been able to stay open by focusing our efforts on the new needs of our community. We expanded our grocery inventory. We improved our selection of meat, working with Marmalu Farms who is a local supplier, and we expanded our variety of produce. We worked hard and thoughtfully to become a place where residents and people in the neighborhood could feel safe shopping for the necessities of their daily lives. This has helped us build relationships with customers who had not previously shopped at Curb. We expect these new customers to be a continued source of revenue after the offices in the Concourse once again become staffed and we regain our lost clientele.

Like a lot of restaurants, we have focused on grab-and-go meals during the closures. Our chef packaged together some of our most popular hot bar items for customers to reheat at home. That program started slowly, but we are starting to see its popularity grow. We are very close to being able to sell those grab-and-go products online. As soon as online ordering becomes available to customers, we will be working on getting the deli selections and grocery staples available to the online shopper. When accomplished, the office employees can order deli items from their desks, pay for them, and quickly pick them up, saving them time during their lunch breaks and making it easier for them to practice social distancing.

The Concourse is now offering free delivery within four miles of the building for all the Crosstown restaurants that are still open. We have gained a few regular customers who use this

service primarily for their grocery orders. We expect this to be a service that, combined with our new online ordering options, will help us get back on our feet and ultimately increase our sales.

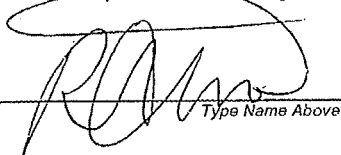
Now that our hot bar and deli are back open, we are focusing on keeping our cost in line with our dramatically reduced sales. Our daily customer count is 25% of pre pandemic levels. We endeavor daily to present a hot bar selection that will entice the customers to eat with us regularly. But we have to limit our offerings because we cannot afford any waste. It is a constant balance between fiscally surviving and keeping our customers fed and happy.

Covid-19 has had a huge impact on our business. There have been layoffs, voluntary labor reduction, a 50% decrease in total store sales, and the added stress of having to reimagine our business model. However, we have focused on staying open and servicing our community to the best of our ability. We are confident that as the Concourse reopens our business will begin to thrive. If we receive the grant the money, it will help us to get prepared and take advantage of the Concourse offices reopening. The combination of who we were before the pandemic and what we have become through adaptation will help us serve a broader customer base and expand our reach in the community as we see workers reenter the Concourse. Receiving this grant would aid us in our goal to not only fully recover from our financial losses but surpass what we were previously accomplishing. We would use the money to stay current with vendors, many of whom are local, and have repairs done, which have been put on hold. Receiving this grant makes us a stronger business and helps put us on the path to self-reliance.

By signing below, I hereby grant on behalf of my staff, my employees and my company to EDGE, its directors, officers, employees, agents, and designees (collectively "EDGE Parties") non-revocable permission to capture my image and likeness in photographs, videotapes, motion pictures, recordings, or any other media (collectively "Images"). I acknowledge that EDGE will own such Images and further grant EDGE permission to copyright, display, publish, distribute, use, modify, print and reprint such Images in any manner whatsoever related to EDGE business, including without limitation, publications, advertisements, brochures, web site images, or other electronic displays and transmission thereof. I further waive any right to inspect or approve the use of the Image by EDGE prior to its use. I forever release and hold EDGE and the EDGE Parties harmless from any and all liability arising out of the use of the Images in any manner or media whatsoever, and waive any and all claims and causes of action relating to use of the Images, including without limitation, claims for invasion of privacy rights or publicity.

The undersigned hereby certifies that all information contained above and all information contained in attachments which make up this grant application are true to her/his best knowledge and belief, and are submitted for the purpose of obtaining financial assistance from the Economic Development Growth Engine for Memphis and Shelby County.

Applicant Signature: _____



Type Name Above

Date: 1-11-2021

Attachment B

Report Form- Please refer to reporting form from your original grant



100 Peabody Place
Suite 1100
Memphis, TN 38103-3652
P 901-341-2100
F 901-527-9224
info@growth-engine.org
www.growth-engine.org

Business Owner
Address

RE: REQUIRED NEED GRANT PERFORMANCE REPORT

Dear NEED Grant Recipient:

As a grantee of Neighborhood Emergency Economic Development (NEED) funds, you are required to submit semi-annual reports for the next 3 years. Please take a moment to answer the questions below; sign and return this form to:

EDGE, Economic Development Growth Engine for Memphis & Shelby County
100 Peabody Place, Suite 1100
Memphis, Tennessee 38103

Thank you for helping us track program successes and for working so hard to improve our community.

Sincerely,

Tracy Buckley
Manager, Economic Development Programs

NEIGHBORHOOD EMERGENCY ECONOMIC DEVELOPMENT GRANT PERFORMANCE REPORT

Grantee: _____ Project: Name, Address _____

The NEED grant was approved to secure neighborhood serving businesses and prevent the loss of job generating activities.

Are you still open for business? _____

If yes, in the last 6 months, have sales been up, down, or stable? _____

How many people are currently employed at this location? Part time _____ Full time _____

Total payroll over the last 6 months to be either January 1st – June 30th or July 1st to December 31st

Are you following the recovery plan included in your NEED Grant application? If yes, what parts have worked-out best for you? If no, please explain why?

Are you working with Tennessee Small Business Development Center (TSBDC) or other acceptable agency?

Signature: _____

To the best of my knowledge and belief, I certify the following:

That the information and attachments provided are true and accurate, and except as noted on the previous page(s) or other attachments to this document, _____ has complied with all major criteria/components related to the EDGE NEED Grant.

Signature

Name

Title

Date: _____

Phone

Email

Please submit completed and signed materials electronically to:

PILOTCompliance@Growth-Engine.org

For assistance call: 901.341.2103

SAMPLE FOR DEMONSTRATION PURPOSES ONLY