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Emphasis: Commercial Real Estate

South City redevelopment heats up; DeSoto County office development lags; and Avison Young finds strength in diversification. ● **Pages 17-19**

REMAKING CROSSTOWN

The story of the Sears tower and Crosstown Concourse P. 20

A pipe dream eight years ago becomes concrete reality, but refined in a way that is uniquely Memphis.

(Memphis News/Houston Cofield)

ANONYMOUS WORK IN THE TRENCHES

Tigers offensive line fuels success for team's playmakers. ● **P. 26**

THE 10-YEAR HEADACHE

Effects of Great Recession still evident among banks, investors. ● **P. 7**

cover story

REMAKING CROSSTOWN

The story of the Sears tower and Crosstown Concourse

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As he was leading tours through Crosstown Concourse this month, Todd Richardson took a small group to a set of windows for a balcony view of an addition being constructed on the north side of the property.

"Yes, we are adding on even with all of the space we have," he said of the $11 million performing arts theater that will host independent films and live music.

The theater adds to a 1.5-million-square-foot tower that started as a 650,000-square-foot store and distribution center for Sears, Roebuck & Co. in 1927.

Crosstown Concourse, the "vertical urban village" – as Richardson, the co-founder of the concept and Crosstown Arts, described it early on – formally opens 90 years to the month Sears Crosstown opened the big store in pre-Depression America and Memphis.

Sears Crosstown was the act of a single corporation. Crosstown Concourse is a much more complex partnership featuring 20 partners, eight of them founding partners, operating under a very complex financing structure.

The two stories of each creation nearly 100 years apart define the times they were made and remade in.

The strategy that brought Sears to Crosstown – and actually created the Crosstown area – was launched in 1906.

"We do comparatively very little business in cities, and we assume the cities are not at all our field," Richard Sears noted, as quoted in the company's narrative history. (www.searsarchives.com). "Maybe they are not – but I think it is our duty to prove they are not."

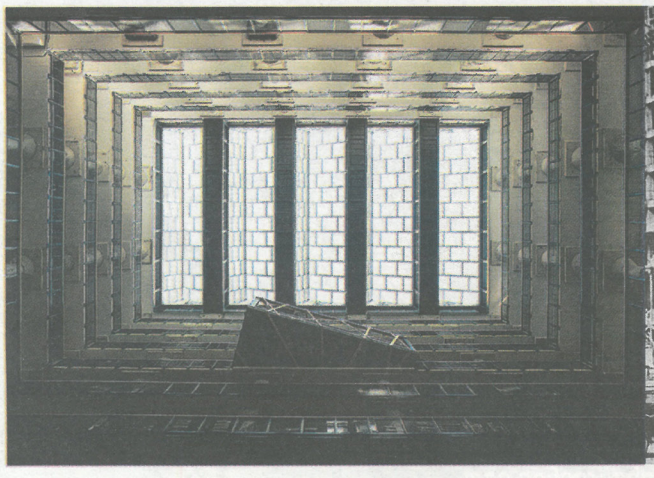
That same year Sears began construction of a "mail-order plant" on 40 acres on Chicago's West Side. An office opened in Dallas, Texas, and six years later became a mail-order plant.

The Memphis store and plant was the eighth of its kind in the country. And when the Sears team came to town to look at sites, it was as secretive as any modern-day site consultant.

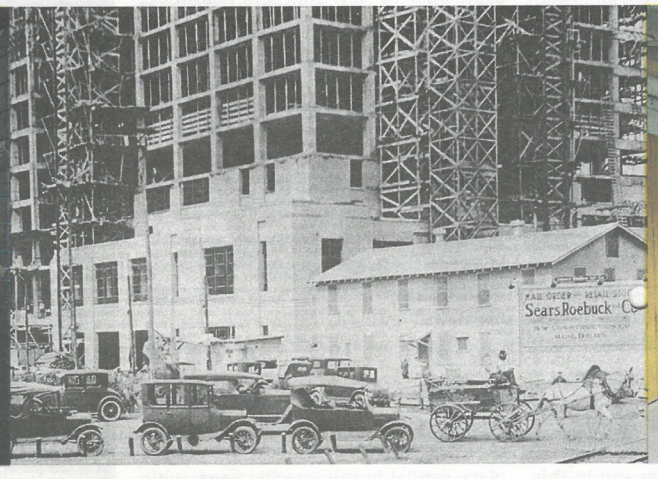
T.O. Bailey, according to a 50-year history of Sears Crosstown published in 1977, remembered getting a call in January 1927 to a private meeting at The Peabody hotel, which was then two years into its new location on Union Avenue.

"You go in your car. We'll follow in a cab and when we pass a likely site, slow down real slow," was how Bailey, a local businessman, remembered the instructions.

He took them to several sites around the city. The old Southern Rail Yard near the city's medical center was the top prospect. But the Sears team would have to get a vote from the board of directors and the board wouldn't meet again until February and that was too long. Bailey said the company feared real estate prices would go up rapidly once



Looking up at one of the skylights created for the atrium at Crosstown Concourse. (Memphis News/Houston Cofield)



The original Sears Crosstown was completed in 180 days by August of 1927, but the tower was expanded years later. (Crosstown Concourse)

Remnants of the past life of Crosstown Concou redevelopment plan in 2012.

Crosstown Concourse is set to open on Saturday, Aug. 19. After eight years of planning and construction, the 1.5-million-square-foot building – formerly a Sears, Roebuck & Co. store and distribution center – has been brought back to life as a vertical urban village for residential and commercial use. (Memphis News/Houston Cofield)

land owners realized Sears-Roebuck was the buyer.

So the site that had been an "afterthought" along an incomplete road became the site, with Sears buying 12 acres in three parcels for $85,800.

AN IDEA IS BORN

Todd Richardson had moved back to Memphis in 2008 to teach at the University of Memphis as an art history professor, his specialty being Renaissance art. A year later, he was talking with Chris Miner, a video artist, about an artist residency program in Mississippi. Then they talked about doing it in Memphis.

From there, the first thought was forming an arts-based community with economic development opportunities in the Crosstown area in general. But even vacant for more than 20 years, the art deco monolith quickly exerted its own influence and would not be denied.

"It took the building as a reason to motivate the whole project to get going, but now, we've sort of realized that all of the things that we want to do in the building are 100 percent needed in the community, whether they're in the building or not," Miner said in 2012.

Richardson began talking with Staley Cates of Southeastern Asset Management Inc., who, with his wife, bought the building in 2007.

"I said, 'What the hell are you going to do with the Sears building?' And he said kind of jokingly, 'I don't know. You got any ideas?'" Richardson remembered. "I was like, 'Are you serious? Yea, I've got lots of ideas.' That started the conversation. It really started with 'wouldn't it be cool if…'"

Among the doubters early on was Henry Turley, the developer of Mud Island's Harbor Town among other projects, known for doing things and going places that were considered big risks.

Turley found out that Cates had bought the building and went to see Cates.

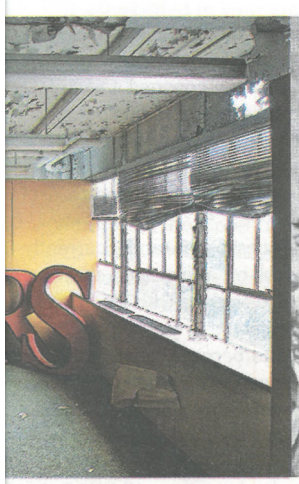
"It is so overwhelmingly large that you must tear it down," Turley recalled telling Cates. "Sell the property, get whatever property you can, but start over. No matter what your purpose, the building will inform the purpose rather than the form deriving from the partnership."

Turley recalled his advice in 2015 as work began on the building and its financing was just about secured.

The financing, arranged meticulously by McLean Wilson, was in itself a harbinger of the complexity that the project has been and continues to be on multiple levels.

The SunTrust Bank branch inside has a wall that is to soon be removed to make a connection between it and the Crosstown Arts lab that Richardson says is a concession to

CROSSTOWN CONTINUED ON P32



Concourse at the outset of its (Memphis News File/Lance Murphey)

Julius Rosenberg, left, chairman of the board of Sears,Roebuck & Co., at the 1927 opening of the Memphis store/distribution center. (Crosstown Concourse)

The book nook in one of the concourse atriums includes large steps to sit on for reading, lunch or small performances. (Memphis News/Houston Cofield)

CROSSTOWN CONTINUED FROM P21

his specialty of Renaissance art.

"My life is about big buildings. They were cathedrals at the time, but big buildings," Richardson said of the Renaissance link in a building that not only has bank branches but spaces for founding partners Church Health Center, Methodist Healthcare, Rhodes College, Christian Brothers University, St. Jude Children's Research Hospital and its ALSAC fundraising arm, and Memphis Teacher Residency.

When Crosstown Arts began talking publicly about the plan, the arts uses got much of the attention – so much, that Richardson and others quickly adjusted and began talking about the other uses to make sure that the public knew their vision wasn't artists setting up in a big empty space and hoping for financial benefactors.

The arts is a "spark," one that Richardson had seen work elsewhere in Europe and California, "almost all of which were redevelopments that were sparked by the arts in some way – whether it be through studios or exhibition space and then a coffee comes in and then a restaurant and then there's a park and then it kind of evolves from there."

Enter Philipp von Holtzendorff-Fehling, a former ServiceMaster chief marketing officer who is founder of Mama Gaia and a Crosstown true believer and tenant.

"Mama Gaia is a new form of business where profit is important for revenue to grow. We have to keep our focus," he said of the vegan restaurant that bills its cuisine as "organic love food."

"We want to create something that hasn't been done before. Crosstown does it in a similar way. They really have this vision first and foremost to create something good," von Holtzendorff-Fehling said. "They have the heart and then everything else follows. ... Everybody thought they were going to tear this building down and they are revitalizing it."

Eight years later, the complexity has moved from construction to what happens in the building, where 3,000 people a day circulate inside with a principle tenet being that they will not circulate in isolation from one another.

"We're moving from development to operations and having this mix of uses together is a very daunting challenge," Richardson said two weeks before the formal opening Aug. 19. "There's no real model. You've got to learn it on your own. It is an ecosystem in the sense of different tenants, different uses aren't just collocating. They are interacting in a lot of different ways."

PAINE'S INFLUENCE

Memphis Mayor Rowlett Paine broke ground on the Sears-Roebuck project Feb. 22, 1927, with a goal of opening Sept. 1. At that point, there still wasn't a proper road in place in front of the signature tower facing North Watkins Street.

Paine was what historian Paul R. Coppock, in his book "Memphis Sketches," would later call a "mugwump" – defined in politics as "the entry of businessmen and professional men into politics as a group long enough to establish some kind of city-county reform and then a return to their ordinary occupations."

Paine was a businessman elected mayor in 1919 at the head of a pro-business slate backed by a "Committee of 100" local business leaders. The "committee" formed as E.H. Crump was forced from the mayor's office by an ouster suit for refusing to enforce prohibition. Crump ran for re-election and won, but resigned immediately because it would have meant another round of ouster proceedings.

From Crump's 1915 resignation to the 1919 election, Memphis had seven mayors or acting mayors, including three in less than a day.

Crump was running for Shelby County Trustee on the 1919 ticket and endorsed Paine, leading some historians to label Paine as part and parcel of the Crump organization, while other historians contend he was independent of Crump.

William D. Miller, in his definitive Crump biography "Mr. Crump of Memphis," defines Paine's tenure as mayor as "a period in which Crump had no determinative voice in the affairs of city government."

"One of the most irritating of Paine's problems was Crump, who sometimes set himself against an administration policy with rigid inflexibility," Miller added. "But through it all, Paine provided Memphis with honest progressive government."

Paine began by hiring Harland Bartholomew to come up with something the city had been lacking to date – any kind of plan or enforceable guide for development – and with it, a planning commission.

Memphis was booming on numerous fronts and a series of skyscrapers and high-rises were beginning to form the city's modern skyline during Paine's tenure. Those included the 22-story Columbian Mutual Tower – the city's tallest building for five years until it was topped by the Sterick Building in 1930. There was also the Shrine Building, the Cotton Exchange Building, the Dermon Building and the Claridge.

Russwood Park was built and Southwestern Presbytery University moved to Memphis from Clarksville, Tennessee. Chickasaw Gardens, which had been part of Clarence Saunders' Cla-Le-Clare estate, including a pink marble mansion, was subdivided with 462 lots. And the Pink Palace that Saunders never actually made his home before financial problems hit was donated to the city as a museum.

The original Orpheum Theater, also known as the Grand Opera House, burned to the ground during Paine's tenure and was built new from the ground up while he was mayor.

ROWLETT PAINE
(Memphis and Shelby County Room, Memphis Public Library & Information Center)

Crump's forces had waited until the day before the 1923 election to come to Paine's aid in his re-election bid, according to Miller.

Paine and the Crump machine faced a challenge from the Ku Klux Klan, which ran a ticket for city offices. Lois Bejach, a judge allied with the machine, told a historian in an archival interview 30 years later that he witnessed Crump operatives during the vote count ballots marked for the Klan mayoral candidate, Joe Wood, in favor of Paine.

Seven years into his time as mayor, the city had set about the task of better streets for developments in nearby areas like Klondike to the north of the Crosstown site. Klondike was one of the first subdivisions in racially segregated Memphis for African-Americans. And as Sears was being built, Tom Lee, the river laborer who had rescued 32 people from the Mississippi River in 1925, had settled with his wife into a modest house with a wood-burning stove nearby on Mansfield Street, provided and paid for, including annual property taxes, by the Memphis Engineers Club.

Crosstown Arts founders Chris Miner, left, and Todd Richardson, right, with board chairman Doug Carpenter, standing, in 2012 before renovations. (Memphis News File/Lance Murphey)

IMPRESSIVE NUMBERS

Crosstown Concourse's goal is to have a ripple effect in bringing back Klondike and surrounding areas from decades of neglect. The deterioration began as the store first scaled down in the 1980s, then was closed by Sears, leaving only the distribution center, which was then also closed in the early 1990s.

"The Church Health Center is not coming to gentrify this neighborhood. That is a no-go for us," Church Health founder Dr. Scott Morris said as the renovation work was getting underway in 2015. "This is about the people who live there now – not driving them out, but giving them more hope and giving them more opportunity. That is totally what I am convinced will happen."

As the building was being transformed from retail giant to "vertical urban village," the scale of the undertaking was reflected in what it took to complete a signature concept – two atriums stretching from the floor to new skylights at the top of the tower.

The effort bore through 3.5 miles and 42 million pounds of concrete, with 22 million pounds of metal taken out. Restoring the vintage windows, which was essential to obtaining preservation tax credits in financing the project, was daunting considering that 60 percent of the façade is glass. Although the seven million bricks in the structure are a significant second.

"Thank goodness we all had a similar mindset of one step at a time, one day at a time, one bite at a time," Richardson said. "Any time you think about this project, this building holistically, it just is overwhelming. So we would have an event, gauge interest and learn. We would have a conversation with potential tenants, gauge interest and learn. We would go back to the drawing board on design and the mix of organizations and people."

See pages 9 and 11 for related stories

The third through 10th floors of the building were warehouse shelving, or as Richardson puts it, "Amazon before Amazon." Goods of all shapes and sizes, to the tune of 45,000 orders a day, were taken from those floors by conveyor belt to a set of 280 hoppers on the second floor and then put on chutes to the first floor for shipping.

Four of the old hoppers, which look like HVAC chillers in size, remain on the second floor of the concourse as a reminder of the building's past, which Richardson said has proven to be a critical motivation in the effort to create a new institution.

"At the end of the day, if Memphis is America's distribution center, this building goes a long way to defining that identity from the early 1920s," he said. "As we had these events and talked to people, there was this constant momentum – there was so much positivity around it. Equally crucial was how many different types of people would have stories from different socio-economic classes, different skin colors. For us that was a real motivating factor."

With the opening, the daunting dimensions of the physical building are now partnered with some equally significant numbers on the other side of the ledger.

The building is 95 percent leased, with the new theater to come online next year along with Crosstown High School charter school. Of the 610,000 square feet of office space inside, only 70,000 square feet remains available. The apartments in the building's tower are 90 percent leased.

By mid-August 1927, Sears had scrapped the Sept. 1 opening date and wanted to go earlier – to make the construction period a record 180 days for a $5 million project.

In its Aug. 15 edition, The Daily News noted that 200 train-car loads of merchandise had already been delivered to Crosstown, even though rail lines into and out of the city were still in a state of recovery from spring into summer flooding that set a record high water level for the Mississippi River at Memphis.

On Aug. 26, North Watkins was paved and completed north of Poplar Avenue and the Crosstown streetcar made its first trip on the just completed road, with Paine as the motorman.

The next day, the store opened, again with Paine cutting the ribbon and Sears board chairman Julius Rosenberg among the speakers in a ceremony broadcast live on WMC radio.

Three months after he cut the ribbon at Sears Crosstown, Paine lost his bid for re-election to Watkins Overton, who was backed by Crump.

In the city's prosperity, Crump had once again found his political voice.