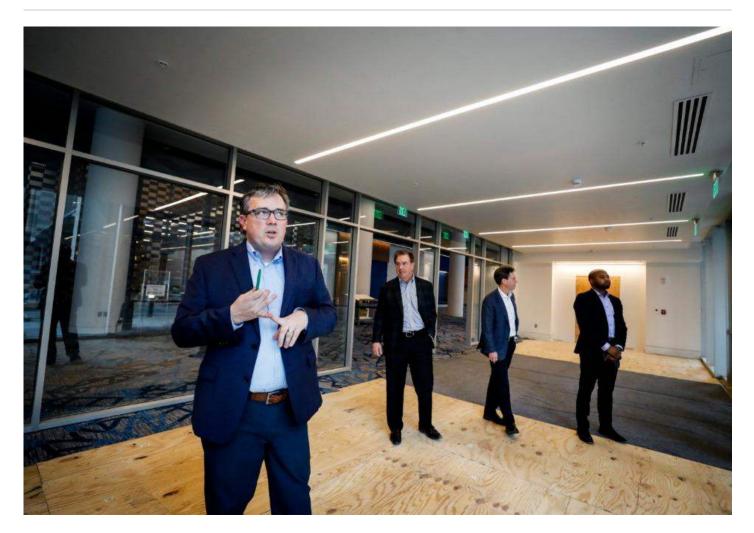


Architects' side venture keeps projects on time, on budget

By Tom Bailey

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"Well beyond our expectations," is how Tom Marshall described MFA's success so far. Pictured are partners

Alan Barner (left), Marshall, Scott Fleming and Aaron Patrick Campbell as they toured the Renasant Convention

Center on Monday, March 9, 2020. (Mark Weber/Daily Memphian)

View Gallery

When a successful building is completed, the owner/developer can take credit for initiating and paying for it, and the contractor can feel good for building it. But the glory goes to the architect as a kind of sculptor of public art.

Now three Memphis architecture firms have joined forces to tackle the unsung, grunt work for especially large, complex construction projects.

MFA is a joint venture — a sideline business — for the separate firms of OT Marshall Architects, Fleming Architects and Aaron Patrick Campbell Architects. Its mission: Ensure for the owner that construction is completed on time and on budget as well as successfully.

The work is called program, or project, management. The service has been growing over the past two decades. But what the MFA principals feel sets them apart is providing the service as experienced architects.

Wayne Risher: Transformation turns convention center into hard-hat zone

MFA is so new that its first project — the \$200 million renovation of the Renasant Convention Center (formerly Memphis Cook Convention Center) — is still under construction.

But the firm is already at work on the nuts and bolts of two other huge projects, the \$751 million Phase 1 of Union Row and the \$240 million Loews Hotel.

"Well beyond our expectations," is how Tom Marshall described MFA's success so far.

The leader of OT Marshall Architects is one of MFA's four principals, also comprising Scott Fleming of Fleming Architects, Alan Barner, an architect with OT Marshall

Architects, and Aaron Patrick Campbell, of Aaron Patrick Architects, who formerly worked for OT Marshall Architects.

It's not like they are not busy designing their own projects. Marshall's portfolio includes Raleigh Springs Town Center, Bass Pro Shops at the Pyramid and Tiger Lane. Fleming has the largest firm with 27 employees whose current projects include the Snuff District and Madison at McLean Apartments. Aaron Patrick, the youngest firm, has designed the Allworld headquarters, University of Memphis Tigers locker room and residences.

"We thought this might be a one-and-done," Marshall said of doing project management for the convention center project. They were wrong.



Architect Tom Marshall (profile) along with his MFA partners discuss upgrades that have been completed inside the Renasant Convention Center on Monday, March 9, 2020. (Mark Weber/Daily Memphian)

A Downtown office for MFA

Barner serves as MFA's president, and is on site at the convention center project daily. In fact, MFA uses a double-wide trailer as an office there in addition to working out of the three offices of the joint venture partners.

That's about to change.

MFA is negotiating for permanent office space Downtown just south of the Loews Hotel site on Civic Center Plaza. The joint venture began by tapping into the combined staffs of three firms, but now has six full-time employees and three part-time.

"We're having a few growing pains," Fleming said. "We were trying to keep our direct costs and overhead down, and now it's like this is a real entity. We need to treat it as such."

The architecture firms worked together previously on management projects to evaluate the condition of some Arkansas schools.

They formed MFA for the convention center project. Even then, Marshall said, "we did not realize there was this kind of need for all the large-scale, complex projects, not just for government but for private-sector individuals including Union Row and the Loews Hotel Group ...

"And several others we are in conversations with now."

Fleming said Montgomery Martin, the general contractor for Union Row, told them, "There is a need at the national level for a role like yours, with architects serving this role."

Porcelain replaces granite

During a brief tour of a small part of Renasant Convention Center, the MFA principals pointed to a half-dozen places where the joint venture had helped to save money or improve the building's function.

Wayne Risher: Convention center update clears midpoint

The lighting package designed by a California consultant provided top-rate lighting design, but the bids were over budget on nearly every line item, Fleming said. So, MFA hosted a "jam session" with the consultant and project architect LRK.

"We just rolled our sleeves up and said, 'Guys, where can we cut lighting components that nobody would know the difference except us?" Fleming recalled.

The tall south wall of the grand lobby concourse was to be covered in granite, but MFA got the material changed to less expensive porcelain. "No one will know the difference except us," Fleming said.

MFA helped the decision-makers evaluate the convention center's existing escalators. The issue was whether to replace them now or wait until later when installation would "create a mess," he said.

MFA found enough money in the contingency fund to add the new escalators during the current construction project.

Much of the firm's work involves coordinating and communicating with multiple agencies and entities.

On the building's east side, for example, replacing the sky walk over Main Street between the convention center and Sheraton Hotel required coordination with the hotel, MATA (because of the trolley overhead electric lines), city engineers and others.

On the west side, construction required temporarily closing a section of Front Street and the Interstate 40 off ramp. The closing required months of coordination with state highway officials, city engineers and others.

Learning from past mistakes?

Program or project management may be a "soft" cost —meaning it's for expertise and consulting rather than for construction materials and labor — but the work more than

pays for itself, the MFA principals said.

When the Cannon Center for the Performing Arts opened in January 2003 as part of the expansion of Memphis Cook Convention Center, the completion was 20 months beyond deadline. The cost of nearly \$100 million was 30 percent more than anticipated, recalled Kevin Kane.

Now as president and chief executive of Memphis Tourism and current chair of the construction committee, Kane said, "If we would have had an MFA in place we might have been able to avoid a lot of those expenses."

Kane estimates that the amount MFA has saved the city in costs is "in the seven figures."

Beale Street Landing blew its construction deadline, too, taking six years to build. And it cost \$44 million instead of the original \$28 million budget. That old overrun remains an issue since the Memphis River Parks Partnership has requested another \$3.5 million from the city to rehab and improve the docking facility.

"That is what this industry may have been born from," Marshall said of budget-busting projects and the emergence of project management firms. "As a way to counteract those tendencies that we saw in the last 10 or 15 years."

Architects tend to want to maintain the design while contractors want to get the price down, Campbell said. And MFA's job "is to really find the middle ground where we don't lose the sense of design but we still are able to get within the budget and meet the client's expectations.

"It's kind of being a necessary middle man," he said.

Said Kane, "Because they are architects, they have knowledge to be able to look at plans and understand what the various impacts are. They certainly understand bids and double-checking bids."



Renderings of the new grand lobby of the Renasant Convention Center shown on Monday, March 9, 2020 during a tour with MFA leaders. (Mark Weber/Daily Memphian)

The fee: 2% to 3%

MFA is paid 2% to 3% of a project's cost. For the convention center upgrade, the firm converted the amount to a flat fee paid over the three-year duration of the project.

By changing its charges to a fixed amount, MFA would not be rewarded for failing to prevent project costs from rising over budget and would not be penalized for succeeding in helping complete the work under budget, Fleming said.

MFA was selected for the convention center job based on its response to a request for proposals and interviews, he said. Because MFA is providing professional services under a negotiated agreement — it's not a bid — the principals declined to reveal specifically what their fee is.

"Though we can easily justify it by pointing to \$25 million in savings MFA helped secure on behalf of the city through orchestrating value engineering exercises and subsequently re-bidding the project to get it under budget," Fleming told The Daily Memphian.

Math gives a general idea of the revenue that such big projects can generate for MFA.

A 2% to 3% fee converts to \$4 million-\$6 million for the \$200 million convention center project. That range is generally accurate, Kane said.

View of developer

Developer Kevin Adams and his Big River Partners are leading Union Row, a private development of apartments, hotels, retail, offices and parking garages. Union Row is estimated to cost \$1.3 billion when all the phases are complete.

He hired MFA about six months ago in large part to act as a "checks and balances" and build more accountability into the project.

Project management is not new, Adams said, but often the same architecture firm designing the project also wants to manage the project. Adams sees that as a conflict of interest.

"Having the project management in the hands of people who designed it, there is room for lack of accountability," he said. "I would much rather have an architect that's an architect and a project manager that's a project manager, where you just don't have the fox in the hen house.

"I think (MFA) was very smart in setting themselves up independently," Adams said.

Marshall, Fleming, Barner and Campbell are able to use their experience in architecture to "look at things a little differently, question them and value-engineer. I really like the level of expertise they have in architecture, although I'm not using them for architecture," Adams said.

One example of how MFA is helping keep Union Row on schedule is by "pushing" on the contractor a steel-based building system for the apartments and hotels instead of wood, Adams said. The steel is more expensive "but you can build it a lot faster."

View of project architect

A program management firm like MFA can be a significant help to a project architect on large, complex projects, especially if they are public projects like the Renasant Convention Center, Frank Ricks said.

He's a founding principal of LRK, the architecture firm that is project architect for both the convention center and Union Row. LRK has been working with MFA a lot recently.

A public project like the convention center upgrade not only is overseen by a number of elected and appointed decision-makers, but the people holding those seats may change as a multi-year project is planned and built, Ricks said.

"There's just a lot of collaboration and a lot of meetings, a lot of conversations to make sure everybody is on the same page on a lot of complex issues," he said.

Either a third-party consultant like MFA or a client's staff member assigned to provide project management "plays that role of really facilitating the process on the owner's side," Ricks said.

The LRK, OT Marshall, Fleming Associates and Aaron Patrick firms may compete with each other for design projects in other settings, but they are teammates with different roles for the convention center and Union Row effort.

"While we do some of the same things, it's worked out well," Ricks said. "Part of it is, I think, we know each other."

It only helps that MFA "speaks the same language" as LRK, he said.

Deadlines

The convention center must be ready for AutoZone to use for its national sales meeting near the end of September. All the contractors are to complete any punch-list chores and be out the door by November.

"We're on schedule and within budget," Barner said.

Meanwhile, demolition is nearly complete to make room for Union Row. Infrastructure work is to start in April and vertical construction should start by November, Adams said.

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