

TIF Multifamily Purchase Rehab

Commercial Real Estate Standards

Projects receiving TIF Multifamily Purchase Rehab funds must meet the minimum requirements in CIC's Rehab Performance Standards. For vacant commercial/retail spaces, the minimum rehab standard is a "white box" (also known as "vanilla box"), ready for lease-up and build-out by future tenants. Additionally, the exterior of any commercial spaces must be safe, attractive, and generally enhance the streetscape.

A project with a signed, long term lease for a commercial space may provide additional build out or customization beyond the white box. Building owners may apply for additional TIF funds to complete this work. See below for more information.

A building owner must provide a construction narrative and Contractor's Sworn Statement for the entire project, including residential and commercial units. Architectural drawings and other documents required by the City may be needed before CIC approval.

What is a White Box?

A white box offers an interior space that is sheltered from the elements by a roof, exterior windows, and doors. While they tend to be basic, lighting, a finished ceiling, an unfinished floor (appropriate to receive most types of new flooring), heating, ventilation and air conditioning systems are generally in place. Fire protection, hot water, restrooms and drinking fountains may also be present.

Everything in the space must be up to code, and the space itself must be prepped for a quick build-out once a tenant signs a lease.

Interior Improvements

A white box has drywall demising walls and fire rated ceilings, ready for the tenants' painting. The space will include storefront door, windows, and flooring or subfloor suitable for new finished flooring. Improvements provided by the owner may include:

- 1. Floor Solid subfloor such as plywood or concrete, ready for finish floor.
- 2. <u>Demising walls</u> Walls constructed with 20 gauge metal studding or wood framing as allowed by code, spaced 16" OC, with 5/8" drywall taped and sanded ready to receive paint or wall covering (except for the rear wall). Demising walls to be insulated with a min. 3 ½" fiberglass insulation.
- 3. Perimeter walls "Ready to paint" perimeter walls (taped and primed).
- 4. <u>Suspended Ceilings</u> Suspended ceiling system to be a minimum of 10' high with 2'x4' Armstrong white, ceiling grid will be standard exposed inverted white "T" system.
- 5. <u>Interior Doors</u> Pre-hung or door jamb to be metal slip over drywall frame type. Doors to be 1-3/4" solid core with birch veneer, ready to be painted or stained.
- 6. <u>Electrical</u> Minimum 100 amp 120/240v, basic room lighting and outlets, conduits for phone, data, and cable service throughout.

- 7. <u>Lighting</u> Basic lighting, exit signs, and emergency lighting per local building code requirements.
- 8. <u>Plumbing</u> Working plumbing fixtures and connections for restrooms, janitor's sinks, and drinking fountains as required by code.
- 9. <u>Heating, Ventilation, and Air Conditioning (HVAC)</u> Self-contained HVAC unit, electric, or water based or owner-provided common use system. Also include cooling system. Air handlers for the RTU, main trunk lines, ductwork, distribution grilles, and diffusers.
- 10. <u>Utilities</u> Gas, water, and electric service shall be brought in and connected for use in the unit.

Exterior Improvements

The exterior shell includes a complete and finished structural system for the building, a finished roof, and a rear wall, usually of steel studs, drywall, or exposed brick, all in a well-maintained and code-compliant condition.

Exterior doors shall be 3'-0" x 6'-8" hollow metal industrial grade exterior door with hardware, weatherstripping, threshold, and hinges with non-removable pins, installed on metal frame. Additional typical exterior improvements include:

- 1. Masonry repairs
- 2. Tuckpointing
- 3. Lintel replacement
- 4. Window or storefront replacement
- 5. Roof repair or replacement
- 6. Exterior canopies or signage
- 7. Exterior lighting
- 8. Exterior door and door hardware repairs or replacement
- 9. ADA accessibility improvements
- 10. Trash enclosures

Optional Commercial Space Improvements

Projects receiving TIF Multifamily Purchase Rehab funds may perform a commercial space build out for a specific business type or tenant. A project with a signed, long term lease may use a portion of TIF funds toward this build out. If a building owner obtains a commercial space tenant (with signed long-term lease), after initial TIF fund approval and/or closing, they may apply for additional TIF funds.

Once the building owner has obtained a signed commercial space lease, they may contact their CIC loan officer to apply for a loan modification to increase the TIF grant. Increases to the TIF grant are subject to fund availability, CIC construction department review, and CIC Multifamily Loan Committee approval.