

**CITY OF TOLEDO
WHITE BOX GRANT PROGRAM
PROGRAM GUIDELINES**

PROGRAM DESCRIPTION

The White Box Grant Program helps property owners bring vacant commercial first-floor spaces into compliance with current state and local building code, fire safety code, and accessibility requirements, thus creating a functional "white box" space ready for customization and occupancy by a business. The program provides a matching grant of \$25,000 to \$75,000 for first-floor, interior renovation expenses to meet current codes required to receive a certificate of occupancy, as demonstrated by stamped architectural or engineering drawings. Building owners are required to provide a 30% match and must either occupy the space as a business owner or actively market the space for lease at no more than the current average per square foot rate for similar condition properties in the area.

The White Box Grant Program is funded with federal Community Development Block Grant (CDBG) dollars or federal American Rescue Plan Act (ARPA) dollars. Therefore, grant funds are subject to federal requirements. The program is subject to a two-year period of compliance, reporting, and annual inspection by the City of Toledo. The grant is collateralized by a personal and/or corporate guarantee and a promissory note, which will restrict the property owner from selling the property without approval from the City of Toledo within three years of the effective date. Applications will be processed in the order they are received and grants will be awarded as funding is available.

ELIGIBILITY

Eligible Applicants

Eligible applicants, whether individual or entity, meet the following criteria:

- Applicant is in good standing with governmental entities (i.e. current on income tax, property tax, utilities, code violations, fees)
- Applicant owns the building for which they are applying*

*If the applicant does not own the building for which they are applying but does have the building under contract, the applicant is eligible to apply for the grant. However, grants will not be awarded until the applicant owns the building for which they are applying.

Eligible Buildings

A building may be eligible for more than one grant if the building contains multiple vacant commercial spaces, each to be occupied by separate businesses.

Eligible buildings must:

- Be located in a [low-to-moderate income census tract of the city of Toledo](#)
- Have no code violation citations
- Contain a first-floor commercial vacant space

A building's eligibility is determined by use, not zoning. Buildings with an exclusively single-family residential or multi-family residential use are not eligible. Eligible uses include:

- Commercial use (non-residential)
- Industrial use
- Mixed-use (integrated first-floor commercial and upper floor residential uses)

Eligible Expenses

The White Box Grant Program provides funding to bring vacant commercial spaces up to code, with the goal of receiving a certificate of occupancy. Eligible expenses address deficiencies in meeting building code, fire code, or accessibility requirements, as outlined below.

1. Building Code

Improvements to meet the requirements of the Ohio Building Code (OBC) for the intended use, or at a minimum a Business (B) or Mercantile (M) use, including:

- Heating, Ventilation and Air Conditioning (HVAC) replacement or upgrades to meet the requirements of the OBC and the Ohio Mechanical Code for the intended use.
- Plumbing rough-in, to meet the requirements of the OBC and the Ohio Plumbing Code.
- Electrical services upgrades or modifications to meet the requirements of the OBC and the National Electrical Code, including, but not limited to NEC 230 Services.
- Lighting rough-in, including required exit and egress lighting fixtures, but excluding other fixtures.
- Repair or replacement of drywall, plaster or masonry walls, excluding finishes.

2. Fire Code

Fire and smoke protection systems and features to meet the requirements of the Ohio Building Code for the intended use, or at a minimum a Business (B) or Mercantile (M) use, including:

- Sprinkler System
- Fire Rated Walls
- Stairway Enclosure
- Fire Alarm System

3. Accessibility

All interior improvements to meet the accessibility requirements of Chapter 11 of the Ohio Building Code, including:

- Restrooms, excluding fixtures and finishes, except OBC required accessible toilet and sink.
- Accessible Route compliance.

A minimum of three quotes is required for each eligible expense. Quotes must confirm adherence to Davis Bacon requirements, be on contractor letterhead, and clearly identify the

scope of work and estimated cost. Contractors shall have required licensing, bond, and insurance, and all work shall be performed according to applicable codes (i.e. Ohio Revised Code and Toledo Municipal Code).

When system improvements benefit the entire building, reimbursement will be for the prorated share of the first-floor vacant commercial space identified in the application, based on its percentage of the total building square footage. All upgrades must comply with zoning and building codes. Any eligible expense incurred prior to the execution of the White Box Grant Program, or work performed without required permits, is ineligible. Projects shall be completed within 12 months of the Effective Date of the White Box Grant Program Agreement.

APPLICATION PROCESS & TIMELINE

1. Application Submission

Submit an application and supporting documentation to the Department of Economic Development. The application deadline is the first Wednesday of every month. If your application is received after the first Wednesday of the month, it will be reviewed the following month. Failure to submit a complete application and required documentation will delay the application review and approval process. Completed applications will be processed in the order they are received, until all remaining funds have been awarded.

Required Documentation:

- Architectural and engineering drawings that identify the code deficiencies to be addressed
- Proof of Commercial Building Insurance Policy
- Historical and Environmental Form (Provided)
- W-9
- Commitment letters for funding sources
- Quotes (three quotes from a qualified contractor for every item on the expenses table)
- Current photos of the building's vacant commercial first floor space
- Drawings, renderings, elevations (if available)
- Occupancy plan, which must be one of the following:
 - A marketing plan that demonstrates their intention to actively market the renovated space for commercial or industrial use.
 - A letter of intent from a business to occupy the space.
 - A statement of self-occupancy by the building owner.

2. Application Review

The Department of Economic Development will review the application and supporting documentation to determine eligibility. Eligible applications will be reviewed by the Toledo Plan Commission to ensure appropriate approvals have been obtained prior to the application being approved. If applicable, the Department of Neighborhoods will conduct a historical and environmental review in accordance with CDBG guidelines.

3. Application Approval

The application will be presented to the City's Incentive Advisory Committee ("IAC") for review. The IAC consists of eight independent citizens that provide oversight of the City's incentive programs. The IAC will provide a formal recommendation to the Mayor on how to proceed with the application.

4. White Box Grant Agreement

If the application is approved, the City will enter into a White Box Grant Agreement with the applicant to establish the terms and conditions by which eligible work can be reimbursed. Any work performed prior to execution of the White Box Grant Agreement is not eligible for reimbursement. In addition to the White Box Grant Agreement, the applicant will be required to grant a mortgage and cognovit note to the City of Toledo on the real property in which the grant funded work will be performed. The mortgage will have a term of three years and will restrict the property owner from selling the property during that time period without approval from the City.

5. Project Completion and Reimbursement

The project is defined as the eligible work to be performed on the subject vacant space. To qualify for reimbursement, the project must be complete within twelve months of the effective date of the White Box Grant Agreement. When requesting reimbursement, the applicant must submit copies of all invoices, matching proof of payment by a cancelled check, and copies of permits and inspections. The Department will review the information for accuracy and completeness and process the reimbursement payment. Applicants have the option to submit for a total of two requests for reimbursement.

Applicants will need to provide a photo of the building's completed first-floor vacant commercial space, and a copy of the certificate of occupancy. The City will release the mortgage and cognovit note three years after the effective date. Grant funds will be disbursed by check. Grant recipients are required to complete an informational survey both prior to and after funding.