

STREETFACE PROGRAM GUIDELINES

I. Statement of Purpose

The Streetface Program (“Streetface”) addresses neighborhood business districts’ design issues by providing funds to commercial building owners to improve their building façades. This is part of the Mainstreets Pittsburgh Program (Mainstreets). Improved façades make a neighborhood shopping district more attractive and inviting to potential shoppers.

II. Program Funding

Streetface may be funded in part through the City of Pittsburgh, the Commonwealth of Pennsylvania Department of Community and Economic Development (DCED), the U.S. Department of Housing and Urban Development’s (HUD) Community Development Block Grant (CDBG), and the Urban Redevelopment Authority of Pittsburgh (URA).

III. Eligibility

The following criteria will be used to determine whether an applicant is eligible for a Streetface loan:

A. Area Eligibility

Streetface projects must be located within a designated pedestrian-oriented shopping area, typically a Mainstreets Pittsburgh participant, an affiliate, or a high-impact business district.

The current neighborhoods eligible for Streetface are listed in Attachment A.

B. Types of Businesses

1. Commercial establishments (retail and wholesale trade)
2. Service establishments to include:
 - a. Professional services (e.g.: doctors, lawyers, accountants, architects, etc.);
 - b. Personal services (e.g.: dry cleaners, laundromats, barber and beauty shops, etc.);
 - c. Certain repair services (e.g.: office equipment, radio/television, bicycle, furniture, locksmith, etc.); and

- d. Business services (e.g.: advertising, office management, printing, etc.).

Banks, savings and loan associations, gas and service stations, used car lots, and adult entertainment establishments are not eligible for Streetface.

C. Other Eligibility Requirements

- 1. Owner occupancy is not required. Approval of tenant-initiated projects, however, will be contingent upon the property owner's agreement to adhere to program requirements.
- 2. Participating Mainstreets neighborhood business district organizations may rate their commercial properties and authorization to proceed under the Streetface program may be contingent upon a favorable recommendation.

IV. Eligible Activities

The following activities are eligible:

- A. Improvements to the façade of an existing building; This would include treatment of sidewalls for corner buildings and buildings adjacent to vacant lots. This treatment can include restoration, rehabilitation or a compatible new storefront. "Façade" shall not be deemed to include roof or interior repairs.
- B. Construction of the façade of a new building in contemporary design is eligible where the design of the façade is compatible with existing architecture in the business district and where the cost of the façade design and construction can be documented separately from the cost of the design and construction of the building as a whole.
- C. Architectural services are eligible, from a Pennsylvania-registered architect, related to the façade improvements only.

V. Parameters of Loan

- A. Loan Size:
 - 1. Up to 40 percent or \$30,000 maximum for construction costs and 50 percent up to \$1,500 for architectural fees when addressing the entire façade (storefront & upper floors). Prevailing Wage Rates would apply to the project costs.
 - 2. Where the total project cost is under \$25,000, prevailing wage rates would not apply. Projects under this threshold would be eligible for up to 40 percent or \$10,000 maximum for construction and 50 percent up to \$750 for architectural fees.

3. Projects located in “High Impact” neighborhoods would be eligible for up to 80 percent of improvements costs up to \$30,000 maximum per building. Prevailing Wage Rates would apply to the project costs.
- B. Term: The Streetface requirements shall be binding for a period of seven (7) years from the date of closing.
 - C. Interest Rate: Zero percent (0%) interest rate; penalty interest rate may be assessed upon default.
 - D. Fees:
 1. Application Fee: \$350 application fee per eligible storefront (non-refundable)
 2. Due Diligence fee: All approved loans will carry a due diligence/origination fee of 1% which may be financed as part of the total project cost.
 - E. Event of Default: A project will be in default if:
 1. A project will be determined to be in default if the property is sold within seven years of the date of closing, unless the new owner agrees in writing to assume the responsibilities of maintaining the improvements.
 2. A project will be determined to be in default if not properly maintained; which shall include but not be limited to peeling paint, broken window(s), torn or removed awning, unauthorized signage, etc. The URA will notify the property owner in writing allowing a 60-day period in which to repair or rectify the defaulted items prior to the URA proceeding with appropriate legal actions including, but not limited to, placing liens on the property as permitted under any legal documents between the owner and the URA which would require the property owner to repay the portion of the Streetface amount still owed.
 3. A project will be determined to be in default if the property owner makes unauthorized changes to the façade during the seven-year monitoring period. The property owner must get approval from the URA prior to any changes taking place on the façade.
 4. In the event of default, the cost of filing and legal fees will be added to any liens placed on the property.

VI. Conditions of the Loan

- A. Façade improvements must comply with standard design guidelines established by the City and URA in conjunction with the appropriate community or business district. The URA staff will review all façade designs to ensure that they are consistent with the approved design

standards. Historic buildings or buildings located in historic districts shall be subject to additional historic design and review standards administered by the Department of City Planning. A copy of these design guidelines is available upon request or can be downloaded at:

http://apps.pittsburghpa.gov/ura-files/StreetFace_Design_Guidelines_2007_REVISED_011714_1.pdf

- B. Program participants must show proof that property taxes are either paid in full or that they are on a payment plan with the City for back taxes owed.
- C. The Streetface requirements shall be binding for a period of seven years from the date of the closing. The amount of the Streetface shall be due and payable with interest from the date of closing upon an Event of Default as outlined in the Program Guidelines; provided that, 14.28 percent of the amount of the Streetface will be forgiven each year during the term in which the owner abides by all the terms and conditions of the Program. If the owner abides by all the terms and conditions hereof for the entire term, the URA agrees to forgive the entire amount of the Streetface. The owner agrees to execute an appropriate Note (the "Note") and any other documents, easements and agreements required by the URA to enforce the obligations under the program.
- D. When applicable, the borrower must ensure that prevailing wage rates are paid.
- E. Any use of loan funds must comply with Federal, State and local regulations concerning historic properties and environmental review.
- F. Upon completion, owner will be required to display required signage in storefront window for a minimum of 12 months. Such signage will be provided by the URA.

VII. Waiver of Provisions

The Board of Directors of the URA may waive certain provisions of these guidelines based on a determination of the private and public benefits of the project.

VIII. Notification

URA reserves the right to:

- A. Notify the appropriate community-based organization of applications received from businesses in their neighborhoods; and
- B. Announce all loan commitments publicly.

IX. Additional Information

Please note that you may receive an IRS form 1099 if required by the Internal Revenue Service. Please speak to your accountant regarding any tax implications to you.

For additional information, please contact the Urban Redevelopment Authority, Center for Innovation and Entrepreneurship at 412-255-6669 or via our web site at www.ura.org. Our TDD number for the hearing impaired is 412-255-6644.

The Urban Redevelopment Authority of Pittsburgh does not discriminate on the basis of race, color, sex, religion, marital status, disability, age, sexual orientation or national origin. No person, solely on the basis of any of the above factors, shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the loan and grant programs operated by the Center for Innovation and Entrepreneurship of the Urban Redevelopment Authority of Pittsburgh.

EFFECTIVE 1-30-18

G:\EDHOME\GUIDELIN\SF GUIDELINES 8/3/16

ATTACHMENT A

DESIGNATED STREETFACE DISTRICTS

1. ALLENTOWN
2. BEECHVIEW
3. BLOOMFIELD/LIBERTY AVENUE
4. BROOKLINE *
5. EAST LIBERTY
6. GARFIELD
7. HAZELWOOD +
8. HIGHLAND PARK
9. HILL DISTRICT +
10. HOMEWOOD-BRUSHTON +
11. LAWRENCEVILLE
12. MT. WASHINGTON
13. NORTH SIDE - ALLEGHENY WEST
14. NORTH SIDE – CENTRAL (Federal St.)
15. NORTH SIDE - EAST ALLEGHENY
16. OAKLAND
17. SOUTH SIDE
18. STRIP DISTRICT
19. UPTOWN *
20. WEST END *

* = Non-Mainstreets Pittsburgh neighborhood – special provisions apply for eligibility.

+ = Designated “high-impact” neighborhood.

Contact your local Neighborhood Business District organization or Siena Kane at the URA (412-255-6546 or <mailto:skane@ura.org>) for information on the designated program boundaries.

Businesses or storefronts located outside the Streetface-eligible neighborhoods, but within the City of Pittsburgh, may be eligible to apply for the URA’s Storefront Renovation Program.

REVISED 1/30/18

BASIC PROCEDURE TO GET A STREETFACE FAÇADE LOAN

- STEP 1: Building owner submits Streetface application to the URA with photograph(s) of building, copy of current occupancy permit (if available), an application fee of \$350 per building, a W-9 for the entity applying for the program, and a letter of support from the appropriate neighborhood organization.
- NOTE:** Upon receipt of the application, the URA will check to see if the property and property-owner's taxes have been paid (includes real estate, business privilege and any liens).
- STEP 2: If design plans are not submitted with the application, the URA will contact the applicant within 10 days to discuss what plans the owner has for the building to be renovated and to tell them if they can proceed to the next step. The URA will also tell the owner if an architect is required for the project.
- STEP 3: The owner submits restoration plans to the URA within 45 days to review and approve. (Note that in some neighborhoods, the local business development group has a design review process in place that the URA cooperates with.) Note: The Streetface Design Guidelines are available online at www.ura.org.
- STEP 4: The URA will contact the owner within 10 days to tell them if their design has been approved. If so, they can proceed to next step. If the design is not accepted, the owner may choose to change the design so that it is acceptable to the URA. The property owner will need to resubmit revised plans within 20 days in order to remain on the active list.
- NOTE:** Program funds most likely will require Davis Bacon Wage Rates or State Prevailing Wage Rates for the contractor. The URA will advise at this stage if this is required and provide a wage determination within 10 days of design approval.
- STEP 5: The owner solicits general contractors for bids based on the approved design. Contractors must be on, or apply to be on, the URA's qualified contractors list.
- STEP 6: The owner must submit at least three bids, based on the approved design, to the URA (indicating which contractor they have selected by signing off on the bid) within 60 days of receiving design approval.
- STEP 7: The URA will review the bids. If the URA agrees with contractor selected, they will proceed to process an agreement with the owner within 15 days.
- STEP 8: The URA and the owner enter into agreement and at this time the 1% due diligence fee is due. Once an agreement is executed, work may begin. The URA will monitor progress of the building improvements.
- NOTE:** THE URA CANNOT PAY FOR ANY WORK THAT HAS BEEN COMPLETED PRIOR TO A STREETFACE AGREEMENT BEING EXECUTED.
- STEP 9: The owner must pay their portion of the project costs before the URA will release its funds. The owner's architect must sign off on contractor's invoices submitted to the URA for payment. The URA will not make a final payment on the project until all work is complete. Work must be completed within six months.
- STEP 10: The project is monitored by the URA for seven years after completion, and it is the owner's responsibility to maintain the improvements.