



1225 Lincoln Way, Auburn, CA 95603

CITY OF AUBURN

Tenant Improvement Economic Assistance Grant (TIEAG) Program

1. Program Overview

The Tenant Improvement Economic Assistance Grant (TIEAG) Program is funded by defederalized CDBG funds and administered by the City of Auburn, Economic Development Department. The program is designed to support commercial property owners who have undertaken substantial tenant improvement (TI) projects on long term vacant (i.e., vacant for three years or more) properties in the City's Old Town and Downtown areas. Owners must require financial assistance to purchase equipment, furniture or other items necessary to complete or operate the improved space.

2. Program Goals

- Encourage economic revitalization and commercial property improvement.
 - Promote occupancy of long term vacant commercial spaces.
 - Support small business growth and job creation.
 - Enhance the appearance, safety, and usability of commercial buildings in Auburn.
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3. Eligible Applicants

To qualify for the TIEAG program, applicants must:

- Own the commercial property for which the grant is sought.
 - Have an active or recently approved building permit for tenant improvements issued by the City of Auburn.
 - Demonstrate that the tenant improvement project is substantial, defined as:
 - A valuation exceeding \$100,000
 - Show that the equipment to be purchased is necessary for completion or operation of the tenant improvement project.
 - Must not have received any other direct or indirect subsidies, reductions, or deferments of fees or costs, or any other funds, from the City related to the property in the last five years.
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4. Eligible Expenses

Grant funds may be used for the purchase of fixed or essential business-related equipment, including but not limited to:

- HVAC units
- Commercial kitchen equipment
- Manufacturing or processing machinery
- Specialized safety, lighting or other control systems

- Fixtures and furnishings integral to the business operation

Ineligible expenses include:

- Salaries or operating expenses
- Portable tools or supplies
- Inventory
- Wages, salaries, or costs of contractors

5. Funding Amount

- Maximum grant per property: \$40,000 and subject to availability of funding.
- No matching funds required, though contributions from the applicant may strengthen the application.

6. Application Process

1. Applicant submits a complete application with:
 - Description of the TI project
 - Proof of building permit(s) for tenant improvement project
 - Equipment invoices, quotes or estimates
 - Proof of property ownership
2. City staff review for eligibility and completeness.
3. Funding recommendations submitted to the City Manager or designee for approval. The City Manager or designee may grant or deny the application in his or her sole discretion for business or other reasons, even if the application otherwise meets the requirements of this policy.

7. Grant Conditions to be Memorialized in Grant Agreement

- Grant funding is necessary to complete or operate the TI
- Grant funds will be distributed as reimbursements upon submission of paid invoices and proof of equipment installation or delivery.
- Equipment must be installed or placed at the project site within six months of award.
- Recipient must agree to maintain the equipment in use for at least 2 years or shall be required to repay all or a prorated portion of the grant.
- Other terms and conditions reasonably required by the City Manager or the City Attorney.

8. Monitoring & Reporting

- City reserves the right to conduct site visits to verify equipment use.
- Failure of grantee to allow site visit shall be a basis to require repayment of the funds.
- Grantees may be required to submit follow-up reports summarizing project outcomes at intervals determined by the City Manager or designee.

9. Program Duration

The program is available on a first-come, first-served basis until allocated funds are exhausted or until the City Manager discontinues the program in his or her sole discretion.