

Thrive Storefront Renovation (Facade Improvement) Request for Proposals

Background

1. Program Overview

The City of Tucson is accepting grant applications from qualified commercial property and storefront owners to participate in the **Thrive Storefront Renovation Project**, a façade improvement grant program. The program provides funding to help property owners invest in their storefronts, attract more customers, enhance the community's streetscapes, and strengthen the visual quality and economic vitality of key commercial corridors within the Thrive in the 05 area. This program will provide up to \$500,000 total in direct construction funding for up to three (3) exterior building improvement projects that contribute to a more functional and economically resilient business environment while meeting Thrive in the 05 and Housing and Urban Development (HUD) goals.

An additional Historic fund of \$50,000 is available to five (5) property owners in up to \$10,000 limits located in the Historic Miracle Mile National Register Historic District. This additional Historic funding may be requested in conjunction with the \$500,000 or as a stand-alone application.

The City's Department of Housing and Community Development (HCD) is the department responsible for administering housing, community development and social services programs for the City of Tucson. With funding from HUD, HCD performs the duties of the local Public Housing Authority (PHA) responsible for operating housing programs that assist families throughout Tucson and Pima County.

In 2018, the City received a Choice Neighborhoods Planning Grant for the Thrive in the 05 neighborhood, a community experiencing decades of disinvestment just a mile north of downtown, roughly bound by Interstate-10, Speedway Blvd, Stone Ave, and Miracle Mile in Tucson, AZ. Through intensive community engagement and collaborative partnerships, the City drafted the Thrive in the 05 Transformation Plan to guide a decade of investment across multiple sectors in the neighborhood. In 2023, the City applied for and received a \$50 million Choice Neighborhoods Implementation (CNI) Grant from HUD to fulfill key components of the Transformation Plan. The Transformation Plan and accompanying appendices can be found at thriveinthe05.tucsonaz.gov.

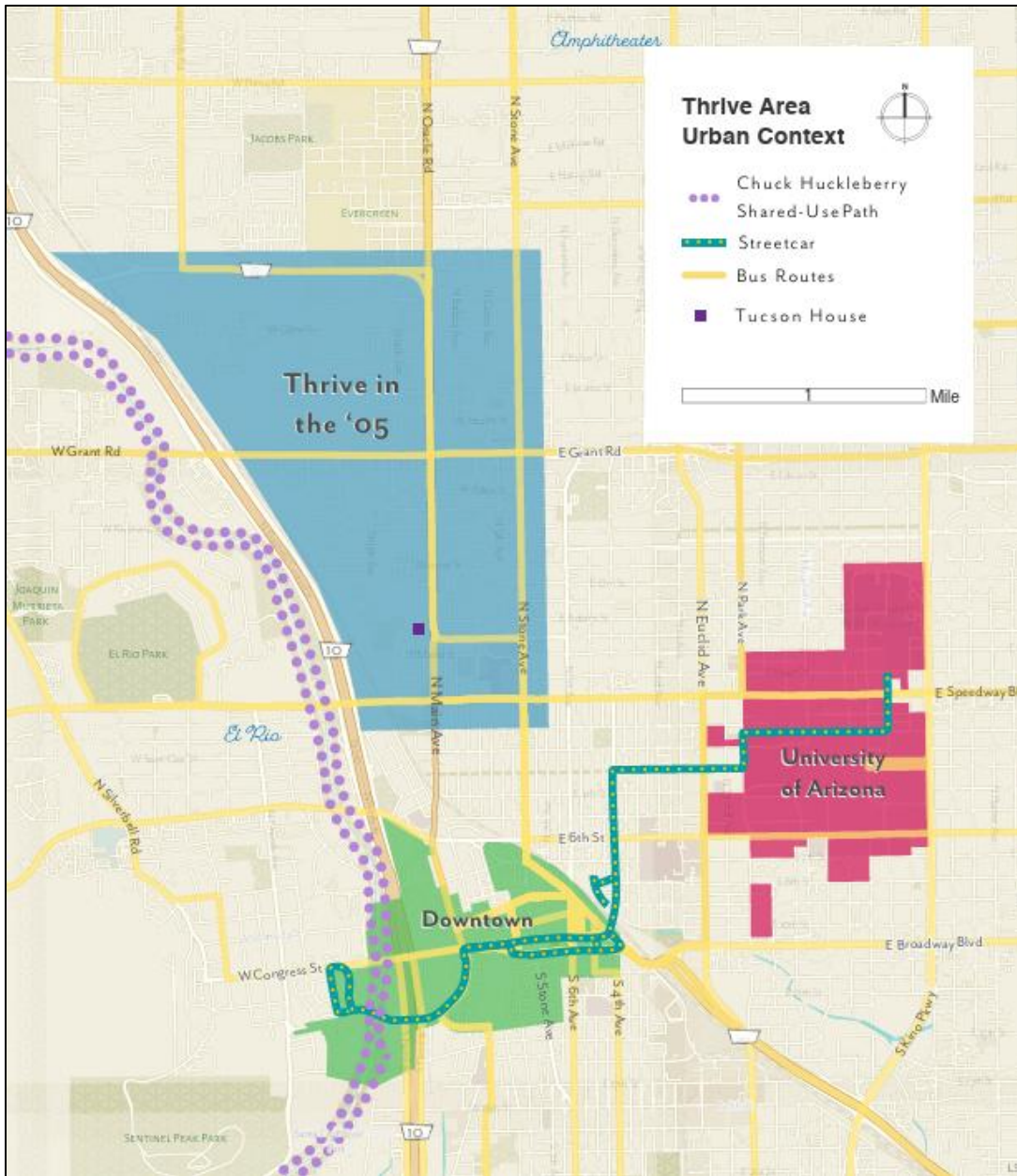


Figure 1: All proposed projects must be within the Thrive in the 05 zone boundaries.

2. How it works?

2.1. This façade improvement grant program prioritizes highly visible commercial properties and is designed to support local and legacy businesses by encouraging reinvestment in storefronts, strengthening neighborhood-serving retail, and stimulating private capital investment.

Commercial property owners will be the direct beneficiaries of the grant awards and are required to submit the application. As part of the application process, property owners must secure a licensed contractor to complete the proposed façade improvements in accordance with the procedures and requirements outlined in this grant program.

Grant funds will be provided on a rolling basis, with reimbursements issued on an agreed upon schedule between grantor and beneficiary or upon completion of approved project milestones. Property owners and their contractors are responsible for submitting complete and timely invoices and supporting documentation to ensure reimbursement. The property owner will serve as the primary point of contact with the City of Tucson's grant program representative and will be responsible for facilitating communication throughout the project.

Property owners must also allow City staff to monitor project progress in conjunction with invoice submissions. Prior to the start of construction, all projects must complete the required environmental review and obtain all necessary permits. Once these approvals are secured, grant beneficiaries will be responsible for managing construction activities, including contractor coordination and overall project execution.

The City will provide program oversight through scheduled inspections to ensure that all improvements comply with approved plans, program requirements, and applicable local, state, and federal regulations.

To protect the public investment, grant recipients will be required to enter into a 10-year façade easement following the final reimbursement. This requirement ensures that the improved façade is properly maintained and continues to serve as a community asset during this period. The easement also helps prevent the immediate removal of funded improvements or the leveraging of the public investment for speculative property sales. The specific terms and conditions of the easement will be presented to the property owner during the negotiation phase according to the timeline.

3. Project Objectives and Business Need

3.1. This grant program directly advances the City's economic development strategies by investing in the physical improvement of commercial properties and supporting business retention and attraction. Through façade upgrades and exterior enhancements, the program is intended to address

long-term disinvestment, improve corridor aesthetics, and increase the viability of commercial spaces. The Thrive area is poised for a resurgence as the northern gateway to Tucson's urban core and new investments in housing, transportation, and economic development must be designed to benefit current residents and businesses.

4. Scope of Eligible Work

4.1. Funding under this program is limited to improvements that are externally visible and enhance the public-facing appearance of commercial properties. Eligible work generally includes façade repair, restoration, or preservation of historically significant architectural details, exterior painting, professionally painted murals, storefront window and door improvements, updated or code-compliant signage, lighting enhancements, accessibility upgrades affecting the exterior, and the addition or replacement of awnings or architectural features. Applicants may incorporate parking lot or ROW enhancements that add or enhance green space and shade to their façade improvements.

4.2. All proposed improvements must be consistent with applicable codes and design standards and should demonstrate a clear effort to improve the visual quality and functionality of the building's frontage. Interior-only improvements, routine maintenance, and new construction or major structural expansions are not eligible under this program.

5. Environmental Review

5.1. All projects selected for funding must work with the Housing and Community Development Department to complete the HUD required Environmental Review process. Environmental Review (NEPA, Part 58, etc.) must be completed prior to project or program commencement. It is the applicant's responsibility to do all the required reports and studies and submit them to us for review and clearance as part of the Environmental Review process.

6. Funding Structure and Financial Requirements

6.1. The program is supported by a total budget up to \$500,000 in Housing and Urban Development Choice Neighborhood Implementation (CNI) funds, with the expectation that one to three storefront projects will be awarded.

- 6.1.1. This program is subject to the Davis-Bacon Act (DBA). It applies to all prime contracts exceeding \$2,000 for construction, alteration, or repair.
- 6.1.2. This program is subject to Section 3 of the Housing and Urban Development Act of 1968 (Section 3). It applies to all programs or projects exceeding \$200,000 for construction, alteration, or repair.
- 6.1.3. This program is required to follow the Build America, Buy America Act. The Build America, Buy America Act (BABA) requires that all iron and steel, construction materials, and manufactured products used in federally-funded infrastructure projects are produced in the United States. This requirement, known as the "Buy America Preference" (BAP), is detailed in the Infrastructure Investment and Jobs Act, Pub. L. 117-58 and 2 CFR 184.
- 6.1.4. This project may be subject to the National Historic Preservation Act (NHPA) if federal funds are utilized to make improvements or alterations to cultural resources within the Miracle Mile National Register Historic District.
- 6.1.5. Non-compliance with the Davis-Bacon Act, Section 3, and Build America, Buy America Act may lead to withholding of payments, contract termination, and potential debarment from future federal projects.
- 6.2. An additional Historic fund of \$50,000 is available to five (5) property owners in up to \$10,000 limits located in the Mircale Mile National Register Historic District. This additional Historic funding may be requested in conjunction with the \$500,000 or as a stand-alone application.
- 6.3. Grant funds will be provided on a rolling basis, with reimbursements issued on an agreed upon schedule between grantor and beneficiary or upon completion of approved project milestones.
- 6.4. A critical component of the application is the inclusion of contractor pricing. Applicants must obtain up to three, competitive bids or independent cost estimates from licensed contractors. These bids should outline the scope of work, itemized costs, and an estimated project timeline. This requirement ensures that proposed projects are grounded in realistic cost estimates and are positioned for timely implementation.
- 6.5. All invoices must be itemized and include costs by project component (e.g., windows, doors, paint, signage, lighting), contractor/vendor information, and labor. Applicants must provide before-and-after photos of each storefront. All materials and services must be clearly identified.

6.6. Applicants are required to provide a minimum matching contribution equal to five percent (5%) of total direct costs. While this represents the minimum threshold, applicants are encouraged to propose a higher match as part of their overall project approach, as additional private investment may strengthen the competitiveness of the grant application.

6.6.1. Suggested match contributions include design and concept development and or additional construction funds costs.

6.7. Applicants should be aware that the City will not fund cost overruns beyond the amount awarded. Any increases in project cost after award will be the sole responsibility of the Grantee.

7. Proposed Timeline (schedule may change without notice):

7.1. June 1, 2026 – August 29, 2026 : Grant applications may be submitted starting June 1, 2026, until August 21, 2026.

7.2. June 23, 2026: HCD will host a preproposal conference from 2pm – 4pm.

7.3. August 29, 2026 – September 14, 2026: City will review and score all grant applications received in conformance with City of Tucson policies and procedures and grant review criteria.

7.4. September 15, 2026 – November 13, 2026: Negotiation with successful applicant(s).

7.5. November 2026: Subrecipient finalist(s) will be announced.

7.6. November 2026 – January 2027: City will conduct environmental review of award properties in conformance with HUD regulations.

7.7. February 2027: City will review construction plans and related permit applications in conformance with City of Tucson policies and procedures and application review criteria.

7.8. April 2027: Grantees will be responsible for all construction activity and improvements to private property as well as ongoing Davis Bacon and Section 3 compliance monitoring with City staff.

7.9. TBD: The Grantee will enter into a façade easement in a form approved by City, protecting the City's investment in the private property improvements for a specified period of time.

7.10. TBD: City will disburse funds for projects completed in conformance with award agreement(s).

7.11. TBD: City intends to prepare a final report detailing the results of the project.

7.12. TBD: City intends to publicize the successful results of the project.

8. Each applicant must submit a complete application that clearly describes the proposed façade improvements and demonstrates readiness to proceed. Each application must include:

8.1. Applicants must indicate whether they are applying for CNI funds, Historic Funds, or both within the application.

8.2. Project narrative.

8.2.1. Property Information

8.2.1.1. Physical Address, include City, State, Zip

8.2.1.2. Parcel Number(s)

8.2.1.3. Existing Zoning

8.2.1.4. Indicate whether the property is currently, or was recently, subject to a City zoning change process. If so, include Planning & Development Services Case Number.

8.2.1.5. Current Use (e.g. office, retail, multi-family, vacant)

8.2.1.6. Latest appraised value or purchase price

8.2.2. Property Owner

8.2.2.1. Owner Entity

8.2.2.2. Member Name(s)

8.2.2.3. Mailing Address with City, State, Zip

8.2.2.4. Contact Phone and Email

8.2.3. Applicant Information (Property Owner Authorization required if Applicant is a tenant and not the owner of the subject property)

8.2.3.1. Name

8.2.3.2. Business Name

8.2.3.3. Mailing Address with City, State, Zip

8.2.3.4. Contact Phone and Email

8.3. Detailed information demonstrating the experience, qualifications, and capacity of both the property owner and contractor team to successfully deliver the proposed project.

8.4. Documented ability to meet the required five percent match and include photographs of the existing property conditions.

8.5. Conceptual design or visual representation of the proposed improvements.

8.6. Forecasted schedule of construction.

8.7. Up to three quotes from insured and licensed contractors.

8.8. Forecasted Permit matrix.

- 8.8.1. Ability to manage all required permitting.
- 8.9. Supporting documentation of project costs and financial capability of applicant.
- 9. Review Criteria (80 points total)
 - 9.1. Demonstration in application to achieve the 5% match (Up to 10 points)
 - 9.1.1. Additional match or funds contributed is optional and will be considered during review
 - 9.2. Property is located in the Thrive in the 05 area
 - 9.2.1. Speedway to Mircale Mile and I-10 to stone
 - 9.2.2. See attached map (Appendix or supporting documents)
 - 9.3. Itemization and transparency of contractor quotes (Up to 10 points)
 - 9.4. Reliability and feasibility of quotes (up to 10 points)
 - 9.5. Achieve project goals and objectives in line with the grant goals (Up to 15 points)
 - 9.6. Extent of the facade improvements to build and strengthen neighboring community identities (15 points)
 - 9.7. Demonstrate an ability to meet deadlines (10 points)
 - 9.8. Proximity to one of the replacement housing sites (10 points)
 - 9.8.1. Sites include:
 - 9.8.1.1. Sugar Hill on Stone
 - 9.8.1.2. Tucson House
 - 9.8.1.3. Amazon Flats
 - 9.9. Specific to Historic funds
 - 9.9.1. If Grantee applies for CNI and Historic funds:
 - 9.9.1.1. Demonstrate an ability to meet historic review by the City of Tucson Historic Preservation Office (HPO) and any subsequent review determined necessary by HPO staff to ensure that the work and materials are consistent with the US Secretary of Interior's Standards (Extra: 10 points)
 - 9.9.1.2. The project may be subject to the National Historic Preservation Act (NHPA) if federal funds are utilized to make improvements or alterations to cultural resources within the Miracle Mile National Register Historic District.
 - 9.9.2. If Grantee applies only for Historic Funds:
 - 9.9.2.1. Follow application guidelines
 - 9.9.2.2. Property must be located in the Miracle Mile National Register Historic District

9.9.2.3. Follow Review Criteria and meet Historic Fund requirements.

9.9.2.4. Demonstrate an ability to meet historic review by the City of Tucson Historic Preservation Office (HPO) and any subsequent review determined necessary by HPO staff to ensure that the work and materials are consistent with the US Secretary of Interior's Standards

10. Applications are due before August 9, 2026, at 4pm by the online portal listed below or hand delivered to 310 N. Commerce Park Loop, Tucson, AZ 85745 Attn. Denisse Ortega-Lorona.

English application <https://arcg.is/1Dr1zb3>

Spanish application <https://arcg.is/15qSuG1>