



## **Pittsburgh Downtown Partnership Rent Abatement Guidelines**

### **Program Overview**

The Downtown Rent Abatement Program (DRAP) assists new businesses that are actively pursuing a location within Downtown Pittsburgh by offering a rent subsidy. This competitive program accepts applications on a rolling basis, and not all applicants are guaranteed funding. DRAP provides a subsidy of up to 50% of the monthly rent, capped at a maximum of \$2,000 per month for 12 months, with a multi-year lease.

### **Objective**

The Downtown Rent Abatement Program (DRAP) aims to foster the development of new, independent businesses in Downtown Pittsburgh, building on existing retail destination clusters or filling needed gaps in retail offerings. Businesses must have a potential location identified and be in active lease negotiations at the time of submitting the application.

### **Application Guidance**

- Before applying, consult with PDP's Director of Economic Development and review the attached Downtown Rent Abatement Program rubric used by committee members during the review process.

### **Application Process**

- A business identifies an eligible storefront within Downtown Pittsburgh and negotiates a Letter of Intent with the property owner/landlord that identifies the terms that will be incorporated into a lease.
- The business completes the Rent Abatement application, along with attachments, and returns it to the Pittsburgh Downtown Partnership (PDP).
- If the application meets the guidelines and criteria, it is forwarded to the Selection Committee, composed of Downtown businesses, residents, property owners and other stakeholders, for consideration toward review and approval.
- If approved, the PDP will begin providing the Rent Abatement subsidy per the lease term start date.

### **Program Conditions and Duration**

- The program duration is 12 months.
- The rent subsidy does not support a property build-out period greater than 90 days and will pause if the business is not operating within 90 days. The payment pause will extend a maximum of 90 days.
- The grantee is required to be operating in the approved property within 180 days of the lease start date, or program award will be void.
- Property owner must be current on real estate taxes or be on a payment plan, and without any active building code violations.

### **Funds Disbursement**

- The funds will be paid directly to the property owner or management, in accordance with the lease. The business owner is responsible for paying the portion not covered by the subsidy.

## Downtown Rent Abatement Program (DRAP) Rubric

	Poor	Fair	Satisfactory	Good	Excellent
<b>Application (5 points)</b>	Incomplete				Complete
<b>Business Plan for New Business (20 points)</b>	<ul style="list-style-type: none"> <li>Not Submitted</li> <li>Inappropriate/harmful for community</li> </ul>	<ul style="list-style-type: none"> <li>Unclear objective/vision</li> <li>Unlikely to receive community support.</li> <li>Lack of employees necessary to meet demand of operation.</li> <li>Lack of knowledge of product/service.</li> </ul>	<ul style="list-style-type: none"> <li>Duplicative in need</li> <li>Questionable ability for employees to meet demand of operation.</li> <li>Lack of marketing plan</li> <li>Unrealistic expectations of success</li> </ul>	<ul style="list-style-type: none"> <li>Clear objective/vision</li> <li>Concept does not present in community.</li> <li>Community likely to patronize.</li> <li>Likely to meet demand of operation.</li> <li>Appropriate market plan.</li> </ul>	<ul style="list-style-type: none"> <li>Understanding of market opportunity</li> <li>Needed product/service in community.</li> <li>Future opportunity for community participation</li> <li>Strong likelihood of success</li> </ul>
<b>Cash Flow Statement for Relocation or Expansion of Existing Business (20 points)</b>	<ul style="list-style-type: none"> <li>Not Submitted</li> </ul>	<ul style="list-style-type: none"> <li>Likely inability to fulfil obligations without assistance.</li> <li>No potential to maintain operation in the event of a crisis.</li> </ul>	<ul style="list-style-type: none"> <li>Proof of incoming investment.</li> <li>Likely instability in the event of a crisis (financial or otherwise).</li> </ul>	<ul style="list-style-type: none"> <li>Likely to maintain business after abatement period ends.</li> <li>Potential to maintain operation in the event of a crisis.</li> </ul>	<ul style="list-style-type: none"> <li>Strong likelihood of continuing business after abatement period.</li> <li>Potential to produce an immediate profit.</li> </ul>
<b>Location / Lease (10 points)</b>	<ul style="list-style-type: none"> <li>Not Submitted</li> </ul>	<ul style="list-style-type: none"> <li>Proposed space does not align with nature or requirements of the business.</li> <li>Significant drawbacks or challenges in the selection location.</li> <li>Proposed location lacks visibility and accessibility.</li> </ul>	<ul style="list-style-type: none"> <li>The space has basic alignment with the nature of the business but may have limitations.</li> <li>There are notable considerations or improvements needed in the selected space.</li> <li>Proposed location has some visibility and accessibility.</li> </ul>	<ul style="list-style-type: none"> <li>Location suitable/appropriate.</li> <li>Only minor work needed to pass inspection and begin operating.</li> <li>The space aligns well with the nature of the business.</li> <li>Proposed location is highly visible and accessible.</li> </ul>	<ul style="list-style-type: none"> <li>Space is an ideal match for the nature and requirements of the business.</li> <li>Turn-key or nearly turn-key space.</li> <li>Proposed location is outstanding in terms of visibility and accessibility.</li> </ul>
<b>Personal /Professional References (10 points)</b>	<ul style="list-style-type: none"> <li>Not Submitted</li> </ul>	<ul style="list-style-type: none"> <li>No professional references.</li> <li>Lack of substance.</li> </ul>	<ul style="list-style-type: none"> <li>Professional reference provided but weak.</li> <li>Unconvincing of ability to succeed</li> </ul>	<ul style="list-style-type: none"> <li>Professional reference provided.</li> <li>Details business experience/qualities</li> <li>Describes ability to success</li> </ul>	<ul style="list-style-type: none"> <li>Strong professional reference(s)</li> <li>Passion for work</li> <li>Great experience</li> <li>Acknowledges weakness and ingenuity.</li> </ul>
<b>Explanation of Need (10 Points)</b>	<ul style="list-style-type: none"> <li>Not Submitted</li> </ul>	<ul style="list-style-type: none"> <li>Minimal or unclear justification of need.</li> <li>Lacks specificity or details.</li> </ul>	<ul style="list-style-type: none"> <li>Provides basic explanation of need.</li> <li>Presents some details on the business's financial situation but lacks depth.</li> </ul>	<ul style="list-style-type: none"> <li>Provides a well-articulated and compelling explanation of need.</li> <li>Offers specific and detailed information about the business's financial situation.</li> </ul>	<ul style="list-style-type: none"> <li>Articulates an exceptionally clear and persuasive explanation of need for the rent abatement.</li> </ul>