Baltimore Development Corporation

Commercial Tenant Improvement Grant (CTIG): Frequently Asked Questions

Effective October 1, 2026

This FAQ summarizes the Commercial Tenant Improvement Grant. The CTIG Terms and Conditions and the grant agreement govern if anything here differs from them.

Table of Contents:

Page 2 • About the CTIG
Page 2 • Who Can Apply
Page 3 • Where the CTIG Applies
Page 4 • Leases and Property Owners
Page 5 • What the Grant Pays For
Page 6 • Award Amounts and the Match
Page 7 • Applying and Review
Page 8 • After an Award
Page 9 • Combining the CTIG with Other BDC Grants
Page 10 • Commitments After the Project
Page 11 • Getting Started

About the CTIG

What is the Commercial Tenant Improvement Grant?

The Commercial Tenant Improvement Grant (CTIG) helps business owners pay for the interior build-out and improvement of commercial storefront space in Baltimore's priority commercial corridors. It covers interior work such as build-out, building systems, and equipment. Baltimore Development Corporation's (BDC) Façade Improvement Grant (FIG) and Outdoor Spaces Grant (OSG) cover exterior work.

Is this a grant or a loan?

The CTIG is a grant. You do not pay it back as long as you meet the terms of your grant agreement. BDC may require repayment in limited cases, such as a business relocating away from the project location within three years of closeout.

How is the grant paid?

The CTIG is a reimbursement grant. You contract for the work, complete it, and pay for it. BDC reimburses eligible costs after the project is finished and your closeout documents are approved, so you need to be able to finance the full project up front.

Who Can Apply

Who is eligible?

The CTIG is for business owners. You can apply if you own an existing business or are opening a new one in an eligible area, and you lease or own the commercial space where the work will happen. The applicant must be the owner of the business that will occupy the space.

Can a nonprofit apply?

Arts and humanities nonprofits are eligible if the organization will occupy and operate the space, and the space is open to the general public.

I own the building but do not run a business there. Can I apply?

No. Property owners who do not operate a business at the location are not eligible for the CTIG. They may be eligible for a Façade Improvement Grant for exterior work. A property owner can still support a tenant's CTIG project, including by receiving the reimbursement through a payee designation (see "Can someone else receive the reimbursement?" below).

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

Is there a revenue limit?

Yes. An existing business must have average annual gross revenue of $3 million or less over the past three years. You attest to your revenue in the application, and BDC may request tax returns or financial statements before making an award.

What does it mean to be in good standing?

The business must be in good standing with the State of Maryland and current on its City, State, and federal tax obligations. You attest to this in the application, and BDC may request documentation to verify it.

BDC also orders a lien certificate from the City for the project property. If it shows unpaid taxes or municipal liens, the application cannot be approved until they are paid or otherwise resolved. This applies even when you are a tenant and the amount is owed by the property owner.

Can I receive more than one CTIG?

A business that has received a CTIG may apply again three years after the date on its closeout letter.

Where the CTIG Applies

Where does the CTIG apply?

The CTIG is geographically restricted. Eligible areas include:

- Baltimore Main Street districts
- Business Improvement Districts
- Retail Business District License areas
- BDC Commercial District Assessment areas
- Commercial corridors within Baltimore Regional Neighborhood Initiative (BRNI) districts, Baltimore Vacants Reinvestment Initiative (BVRI) priority areas, and state-designated Arts Districts

In the last group, only the commercial corridors are eligible, not the full district or priority area.

Why are these areas eligible?

The CTIG concentrates funding on commercial corridors the City and State have identified for increased investment, so grant dollars add to the momentum already underway in those districts.

The eligible areas are built in two layers. The first layer is Baltimore's recognized commercial districts: Main Street districts, Business Improvement Districts, Retail Business

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

District License areas, and BDC Commercial District Assessment areas. These cover the city's established storefront corridors.

The second layer adds the commercial corridors inside the State's BRNI districts, the City's BVRI priority areas, and state-designated Arts Districts. These are neighborhoods where the State and City are directing reinvestment. Only the commercial corridors within them are eligible, which keeps the CTIG focused on storefront blocks and away from residential streets.

Together, the two layers reach both established business districts and commercial corridors in neighborhoods that are working to attract new businesses.

How do I check whether my property is eligible?

Use the CTIG eligibility map on the BDC website at https://baltimoredevelopment.com/business-support/property-improvement-grants/. The map shows whether an address falls inside or outside an eligible area.

My property is just outside a boundary. Can I still apply?

Possibly. Properties within about one block of an eligible area may be considered at BDC's discretion. Contact BDC before applying so staff can review the location with you.

Leases and Property Owners

Do I need a signed lease to apply?

No. A letter of intent (LOI) with your landlord is acceptable when you apply. If you receive an award based on an LOI, you must deliver an executed lease to BDC within 90 days of the date of your award letter. BDC will not issue any reimbursement until it has the executed lease, and it may cancel the award if the lease is not delivered in time.

How long does my lease need to be?

Your lease must have at least three years remaining at the time of the award. Renewal options you have the right to exercise count toward the three years. Businesses that own the property they operate in do not need a lease.

Does my landlord need to be involved?

Yes. The property owner must sign the application to confirm they know about and consent to the project. The property's tax and lien status also affects your application, as described under "What does it mean to be in good standing?" above.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

What the Grant Pays For

What kinds of work are eligible?

Examples of eligible work include:

- Build-out of new or vacant commercial space
- Electrical, plumbing, and mechanical systems serving the commercial space
- Interior renovations and ADA accessibility improvements
- Fixtures permanently affixed to the space, such as built-in counters, shelving, and light fixtures
- Commercial equipment essential to the business, such as kitchen and refrigeration equipment, salon or barber stations, and fitness equipment, whether or not it is permanently attached
- Storefront enhancements and signage
- Security cameras, lighting, and access control

The Terms and Conditions list every eligible and ineligible use.

What are soft costs, and is there a limit?

Soft costs include architectural and design services, point-of-sale and inventory systems, movable furniture and décor, and opening marketing. Soft costs are capped at 35% of the total project cost. Architectural and design services count toward the 35% and have their own cap of 15% of the total project cost.

The total project cost is the full cost of the CTIG scope of work before any cap is applied. It does not include costs assigned to a Façade Improvement Grant or costs that are ineligible. For example, a $100,000 project that includes $45,000 in soft costs can count $35,000 of those soft costs. The remaining $10,000 is not counted, so eligible costs are $90,000 and the grant award would be $45,000.

Can the grant pay for roof work, structural repairs, or deferred maintenance?

Only for owner-occupied properties, where these costs are capped at 50% of the total project cost. They are not eligible for businesses that lease their space.

What is not eligible?

Recurring operating costs such as rent, payroll, utilities, and debt service are not eligible. Work that has not been approved by BDC, including changes to the approved scope, is not reimbursed. The full list of ineligible uses is in the Terms and Conditions.

How many estimates do I need?

You need two independent estimates for each component of the work, and the reimbursable amount is based on the lower of the two. The estimates must cover the same

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

scope. Retail purchases and architectural and design services need only one estimate or quote. All contractors must be properly registered, licensed, and insured.

Award Amounts and the Match

How much can I receive?

Up to $70,000. Businesses that own the property they operate in can receive up to $80,000. To qualify for the higher amount, the business owner must own the property and operate the business there as its primary place of business.

How does the match work?

The CTIG matches your investment dollar for dollar. BDC reimburses 50% of your eligible project costs, up to the award amount in your award letter. For example, a project with $140,000 in eligible costs could receive the full $70,000.

Is there a minimum project size?

Yes. Your project must have at least $30,000 in eligible costs, which means the smallest possible award is $15,000.

Do I need to show how I will pay for the project?

Yes. Because the CTIG is paid as a reimbursement, you must show how the full project cost will be paid for before any grant funds arrive. The application includes a sources and uses table listing each funding source, and you must attach evidence for each one, such as a bank statement, a loan commitment letter, or a line of credit.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

Applying and Review

How do I apply?

Start by submitting the intake form on the program page. Every applicant meets with a BDC representative at the project location before applying. That visit covers your project, confirms eligibility, and helps you put together a stronger application. BDC provides the current application after the site visit. The sample application posted online is for reference only and cannot be submitted.

When are the deadlines?

Applications may be submitted at any time and are reviewed in quarterly rounds.

Application deadline	Awards announced by
December 31	January 31
March 31	April 30
June 30	July 31
September 30	October 31

The first round closes December 31, 2026.

What do I need to submit?

The full attachment checklist is in the Terms and Conditions. It includes a business plan, a sources and uses table with evidence of funds, contractor estimates for each component of the work, and an executed lease or letter of intent. Templates for the business plan and the sources and uses table are on the program page.

How are applications reviewed?

The CTIG is competitive and funds are limited, so meeting the eligibility requirements does not guarantee an award. A BDC review committee scores each application on design and character, corridor impact, demonstrated community support, and equitable access. BDC works to direct these funds toward businesses and neighborhoods that have had less access to capital and investment. Final funding decisions rest with BDC's President and CEO and cannot be appealed.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

After an Award

What happens after I receive an award?

BDC sends an award letter with a CTIG Agreement. You must sign and return the agreement within two weeks of the date of the award letter. If BDC does not receive it in that time, BDC may cancel the award unless it has extended the deadline in writing.

When can I start work?

Eligible costs incurred on or after the date of your award letter can be reimbursed. Any work you do before signing and returning the CTIG Agreement is at your own risk.

I have already started work. Does that count?

Work performed and costs incurred before the date of your award letter are not reimbursed. Eligible work paid for between six months before your application date and the date of your award letter can count toward your required match, as long as it is documented as the Terms and Conditions require. Those costs reduce what you must invest after approval, but they are never paid back to you, and the award cannot exceed your eligible costs incurred after the award letter.
Architectural and design services are the exception. Design costs incurred up to 12 months before your application date may be reimbursed.

BDC strongly recommends waiting until you are approved before starting work. Work started early may not be approved as part of your project and may require change orders. If you must start early, focus on work that is unlikely to affect the outcome of your application, such as electrical, plumbing, and back-of-house build-out.

How long do I have to finish the project?

One year from the date of your award letter. You may request an extension in writing, and BDC may grant extensions totaling up to one additional year. Extensions are not automatic.

What permits and approvals do I need?

You are responsible for obtaining all required Baltimore City building permits. If the property is in a Commission for Historical and Architectural Preservation (CHAP) district, you must obtain a CHAP Authorization to Proceed before beginning work. All work must also conform to the Urban Renewal Plan for the area, if one applies. BDC's approval of the grant does not replace approval from any City agency.

What do I need before I am reimbursed?

- Completion of the approved scope of work
- Proof of payment for every cost submitted. An invoice alone is not enough.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

- An executed lease on file with BDC, if you lease the space
- A Use and Occupancy permit
- Permanent business signage in place at the property
- Active commercial use of the first-floor, street-facing space
- An itemized list of any equipment funded by the grant
- After photos and a signed closeout form

Your business does not need to be open and operating at the time of reimbursement.

Can someone else receive the reimbursement?

Yes. You can direct BDC to send the reimbursement to another party, such as your landlord or a community development organization, by signing a Payment Designation Addendum to your grant agreement. Payments that party makes on your behalf count as your payments. You remain the grantee and are still responsible for every grant requirement. A landlord who receives the reimbursement must certify that it has not recovered and will not recover that money from you through rent or other charges.

Combining the CTIG with Other BDC Grants

Can I combine the CTIG with a Façade Improvement Grant?

Yes, with any FIG except the Rehabilitation FIG. Submit a single CTIG application that covers the full project. If both grants are awarded, BDC issues a separate agreement for each, and each grant is reimbursed and closed out under its own agreement.
Each cost can be submitted under one grant only. Costs assigned to the FIG do not count toward the CTIG's $30,000 minimum, your CTIG match, or the total project cost used for the soft cost cap.

Can I combine the CTIG with an Outdoor Spaces Grant?

An OSG is always a separate project and requires its own application.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

Commitments After the Project

What do I commit to after the project is finished?

Each award carries commitments that continue after closeout. Timeframes run from the date on your closeout letter.

Commitment	Timeframe
Create at least two new permanent jobs at the location	Within 12 months
Carry out the community benefit proposed in your application	Reported on annually for 3 years
Submit a short annual report to BDC	3 years
Keep grant-funded equipment at the location	3 years
Maintain the funded improvements in their finished state	7 years, or through the end of your lease if sooner

If a grantee does not meet these commitments, BDC may require repayment of all or part of the grant.

How are new jobs counted?

Jobs are measured as full-time equivalents (FTEs). A position of 30 or more hours per week counts as one FTE, and a position under 30 hours counts as one-half. Jobs held by owners of the business do not count, and new jobs are measured against the number of employees you report in your application. Grantees must make documented best efforts to hire Baltimore City residents, including by listing openings with the Mayor's Office of Employment Development through Employ Baltimore. You report on job creation in your first annual report, and BDC may request payroll records.

What counts as a community benefit?

You propose a community benefit in your application. Examples include:

- Hiring and training local residents
- Sourcing from Baltimore businesses and makers
- Sponsoring community events
- Paying all employees at least the living wage rate set by the Baltimore City Wage Commission
- Hosting YouthWorks summer placements
- Offering free use of the space to community groups
- For food businesses, accepting SNAP and WIC and offering fresh produce

Other ideas are welcome. Once approved, any change to your community benefit requires BDC's written approval.

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com

What happens if my business closes?

BDC will not seek repayment of grant funds solely because a business closes and stops operating. The rules for grant-funded equipment still apply during the three-year period, so contact BDC before selling or removing any equipment the grant paid for.

What happens if my business moves?

If you relocate the business away from the project location within three years of your closeout letter, BDC may require you to repay part or all of the grant. BDC generally applies this schedule:

Relocation	Repayment
Within the first year after closeout	Up to 100%
In the second year	Up to two-thirds
In the third year	Up to one-third

Some moves may be exempt, such as a move to another eligible CTIG area. Talk to BDC before relocating.

Getting Started

Where can I find the program documents?

The CTIG Terms and Conditions, the eligibility map, the sample application, the business plan template, and the sources and uses template are all on the BDC website at https://baltimoredevelopment.com/business-support/property-improvement-grants/.

Who do I contact with questions?

Submit the intake form, and a BDC representative will follow up to schedule a site visit. https://baltimoredevelopment.com/contact/

36 S. Charles Street, Baltimore, MD 21201 (410) 837-9305 Contact baltimoredevelopment.com