



ECONOMIC DEVELOPMENT INCENTIVE
TIER 2 (FOR PROPERTY OWNERS) COMMERCIAL PROPERTY FAÇADE
IMPROVEMENT REIMBURSEMENT PROGRAM GUIDELINES (FY 2017-18)

In a continuing effort to promote economic revitalization in the Tennyson and Downtown Retail Corridors, the City of Hayward, Economic Development Division has reestablished a Commercial Property Façade Improvement Reimbursement Program. The program goal is to provide a funding reimbursement resource for property owners to upgrade their buildings in the Tennyson and Hayward Downtown Retail corridors to attract and retain retail tenants.

This City of Hayward Façade Improvement Reimbursement Program provides a 50% matching funding up to \$150,000 to assist with financing the façade improvement project cost.

GUIDELINES FOR THE COMMERCIAL PROPERTY FAÇADE IMPROVEMENT PROGRAM ARE AS FOLLOWS:

1. The applicant must be the property owner.
2. This funding will be disbursed as a loan with a ten-year term that becomes a grant at maturity, if no event of default.
3. Any project over \$25,000 would be secured by a lien on the property.
4. The reimbursement request cannot be greater than 50% or \$150,000, whichever is less, of the partial (or total) project cost. However, the City of Hayward can increase the Façade Improvement amount requested with the approval of the Loan Review Committee, the City Manager and City Council.
5. This program utilizes public funds and is subject to Prevailing Wage requirements.
6. Upon project completion, the property must be leased to an approved retail tenant within one year of completion date.
7. The applicant must complete the City of Hayward Commercial Property Façade Improvement Reimbursement Program application and provide the City with the following:

- Scope of work and budget
- Contractor Requirements: Contractor must have a City of Hayward Business License and a B Contractor's License
- Back-up documentagtion/Estimates (from suppliers or contractors to support cost of improvement work to be purchased with program funds)
- Evidence of Owner/Private Financing of one-hundred percent of total or partial project cost up to \$300,000.00.

ELIGIBILITY

Eligible business properties must be located within one of the following areas:

- Tennyson Business Corridor, on Tennyson Road, between Mission Boulevard and Hesperian Boulevard.
- Downtown Hayward, on B Street, between Foothill Boulevard and Watkins Street.

This program is not available to pay for improvements that have been already completed.

BUSINESS TYPE

The focus of the Commercial Property Façade Improvement Reimbursement Program is retail/service businesses, but other business types (non-profit/cultural, office, etc.) may be considered on a case-by-case basis.

APPLICATION PROCESS

Prior to submitting an application, the applicant would meet with Economic Development staff to review the project.

Commercial Property Façade Improvement Reimbursement Program applications are available at the City of Hayward, Economic Development Division, 777 B Street, 2nd Floor, Hayward, CA 94541.

REVIEW PROCESS

Applications will be reviewed by the Small Business Loan Committee. If the committee recommends approval, the request is sent to the City Manager for final approval.

Evaluation Criteria:

Commercial Property Façade Improvement Reimbursement Program applicants will be evaluated based on the criteria listed below. Proposed improvements that meet these criteria will be most competitive for funding:

- Visually improve storefronts
- Enhance prominent business locations
- Fill a previously vacant storefront

NOTIFICATION AND NEXT STEPS

After committee review is completed, applicants will be notified via email, if available, and postal mail about the committee's decision.

Documents

Once City Manager's approval is obtained, applicant will be required to complete the City of Hayward loan documents. A deed of trust lien will be required on any reimbursement in excess of \$25,000. This loan becomes a grant at the ten year maturity, if no event of default.

Applicant to submit a W-9 form which enables the City to process and provide reimbursement funding.

Reimbursement

After the proposed improvements are completed the approved applicant must submit the following to Micah Hinkle, Economic Development Manager, 777 B Street, 2nd Floor, Hayward, CA to receive reimbursement:

- Invoice for work completed
- Proof of payment
- Signed lien release form

GENERAL

- The program is subject to funding approval by City Council each fiscal year.