



MICROENTERPRISE GRANT PROGRAM GUIDELINES

In a continuing effort to promote economic revitalization, business expansion and retention and provide employment opportunities for low to moderate income Hayward residents, the Economic Development Division has developed a Microenterprise Grant Program. The program goal is to provide a gap funding resource for small businesses in achieving expansion plans in the core Hayward Downtown area.

The Microenterprise Grant Program would enable eligible participants (subject to fund availability) to secure additional financing for project success not currently available through traditional lending institutions. This is one of the tools the Economic Development Division has to assist small businesses and provide employment opportunities for Hayward residents.

The Guidelines for the Microenterprise Grant Program are as follows:

1. The applicant must be a Microenterprise business (five or fewer employees, one or more of whom owns the business).
2. The grant request cannot be greater than 15% of the total project cost, not to exceed \$15,000.00. However, the City of Hayward can increase the Grant amount with the approval of the Loan Review Committee and the City Manager.
3. The applicant will provide a detailed breakdown of the total project cost, what the grant would cover, and explain how the project will benefit the business.
4. The applicant must be willing to provide employment opportunities for low to moderate income Hayward residents as a result of the grant.
5. The applicant must complete the Economic Development Microenterprise Grant application and provide the City with the following:
 - Business Plan
 - Business License
 - Copy of Articles of Incorporation, Partnership Agreement or Sole Proprietorship Status
 - Copy of their signed Lease Agreement.

6. Employer agrees to allow City of Hayward staff to copy and review all financials annually for three to five years for the purpose of verifying job creation, hiring practices, and public benefit in return for the grant.



SEWER TREATMENT CAPACITY BANK PROGRAM GUIDELINES

In a continuing effort to encourage small business growth in Hayward, the Economic Development Division would establish a Sewer Treatment Capacity Bank Program. The program goal is to provide two-year bridge-financing assistance to the following businesses:

1. Micro-Beverage Manufacturers (produces beverages in small batches, usually done in single batches).
2. Artisan Food Manufacturers (i.e. small scale food manufacturers with unique or innovative products).
3. Restaurants.

The Guidelines for the Sewer Treatment Capacity Bank Program are as follows:

1. The applicant must be the business owner.
2. The Economic Development Division will purchase the sewer capacity for the applicant business, up to \$30,000.00 subject to Economic Development program funding availability. The amount may be increased with the approval of the City Manager or Assistant City Manager.
3. This funding will be disbursed for a maximum of two-years.
4. The business will sign a Public Works Payment Program Plan that will be deferred the first two years.
5. The sewer capacity purchased by the Economic Development Division will remain with the Division at the end of the two year deferral period and be available to assist other qualified businesses as requested.
6. The applicant must complete the City of Hayward Sewer Treatment Capacity Bank Program application and provide the City with the following:
 - Sewer Connection Fee estimate from City of Hayward, Utilities & Environmental Services.
 - Copy of Business License.
 - Copy of signed lease agreement.
 - Copy of business legal structure (Sole Proprietorship, Partnership Agreement, Articles of Incorporation & Corporate Bylaws)



FAÇADE IMPROVEMENT REIMBURSEMENT PROGRAM GUIDELINES

In a continuing effort to promote economic revitalization in the core Downtown the Economic Development Division has reestablished a Façade Improvement Reimbursement Program. The program goal is to provide a funding reimbursement resource for property owners to upgrade their buildings in the core Hayward Downtown area to attract and retain retail tenants.

This Economic Development Façade Improvement Reimbursement Program is in line with the Economic Development goal of revitalizing the historic downtown and stimulating future investment in attractive retail opportunities. Up to \$150,000 could be used to finalize the façade improvement project and would provide a 50% refund of the partial or total project cost.

The Guidelines for the 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. This loan will be secured by available collateral as determined by staff.
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 Façade Improvement 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 documentation/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.



TENNYSON CORRIDOR FAÇADE REBATE PROGRAM GUIDELINES

In a continuing effort to promote economic revitalization in underserved retail corridors, the Economic Development Division has reestablished a Façade Rebate Program for the Tennyson Road corridor. This program will offer rebates to business and property owners for washing/painting the building, replacement awnings, and sign repair and replacement.

This Economic Development Tennyson Corridor Façade Rebate Program reestablishes a successful Rebate Program used by thirty-one businesses and property owners in the core Downtown Hayward from 2002 to 2005. This program provides another tool for the City's Economic Development toolbox in line with the Economic Development Strategic Plan, SR1.C – Design and offer incentives to existing service/retail businesses for expansion and improvements.

The Guidelines for the Tennyson Corridor Façade Rebate Program are as follows:

1. The property owner or tenant can apply.
2. If the tenant applies, they would be required to have written authorization from the property owner in order to participate.
3. The approved rebate would be paid after receipt of paid invoices from the tenant or property owner.
4. The rebates would be paid for the following:
 - Up to \$2,000 for painting building exterior(s) or
 - 100% of the cost of washing a building that had been painted within the past three years for which the paint was in good condition.
5. The following rebates would be available only in conjunction with painting (or washing) a building:
 - 100% rebate for replacement of awning coverings;
 - 100% rebate for awning frames that are broken or not in compliance with current fire and building code requirements; contribution of \$10,000; and
 - 100% of the cost of removing old signs on vacant buildings.
6. To be eligible for the rebate, paint, awnings, and signage must meet the City of Hayward Planning Division Design Guidelines. An approved pallet of paint colors and awning coverings will be developed for owners to use.

7. The ceiling on the painting rebate is \$2,000 because the federal Community Development Block Grant (CDBG) program, and/or Economic Development Division funds will be the source of program funding. If more than \$2,000 of federal funds is invested in a construction project, then federal Davis-Bacon wage standards must be used and payrolls monitored.
8. Program rebates would be on a first-come, first-served basis as program funding allows.



SMALL BUSINESS REVOLVING LOAN FUND PROGRAM GUIDELINES

In 1990, Hayward City Council formally established the Small Business Revolving Loan Fund (RLF) Program to provide gap financing to small businesses in order to facilitate access to and leverage with private sector funds.

The program is designed to promote neighborhood economic revitalization, business expansion and retention, and employment opportunities for Hayward residents. Small businesses struggle with access to capital due to restrictions of conventional private sector lending organizations. Providing capital for business expansion and retention has been a key objective of the RLF program.

The Small Business RLF Program provides loans to eligible participants (subject to fund availability) to secure gap financing for project success not currently available through traditional lending institutions. This is one of the tools the Economic Development Division has to assist small businesses and provide employment opportunities for Hayward residents.

The Guidelines for the Small Business RLF Program are as follows:

1. The applicant must be a Hayward business owner of a for-profit small business operating from a commercial facility.
2. Applicant business must have been in operation for at least two years.
3. The applicant must complete the Small Business RLF application and provide the City with the application checklist items that include the following:
 - Business Plan
 - Business License
 - Copy of business structure, i.e. Articles of Incorporation, Partnership Agreement or Sole Proprietorship Status
 - Copy of a signed Lease Agreement
 - Two years of business tax returns
 - Two years of personal tax returns for every person that owns 20% or more of the business
 - Each person that owns 20% or more of the business must complete a personal financial statement.

4. Applicant must have a sound credit history.
5. Applicant business must have a minimum retained earnings or owner equity of 10 to 20% of the total project cost.
6. The applicant business es must match \$2.00 of financing through private loans and/or infusions of equity with every \$1.00 of the City loan. The maximum City share is \$200,000, subject to the availability of funds.
7. The business must sign a First Source Hiring Agreement requiring that one full-time equivalent job be filled by a low to moderate income Hayward resident for every \$35,000 of loan funds approved.
8. City loans must be appropriately secured by real property, equipment, or other business and/or personal assets. City loans can be subordinate to financial institution lenders.
9. Employer agrees to allow City of Hayward staff to copy and review all financials annually for the life of the loan for the purpose of verifying job creation, hiring practices, and public benefit in return for the loan.