

BUSINESS REDEVELOPMENT LOAN PROGRAM

The Emeryville Redevelopment Agency's Business Development Loan Program was established to attract and retain quality businesses to San Pablo and Park Avenues through the provision of below-market rate business loans.

PROGRAM GUIDELINES

Loan Program Eligibility

Businesses (exceptions below) with a demonstrated need for Agency assistance which are either currently located on, or are planning to locate to, San Pablo and Park Avenues in Emeryville are eligible for this program. Both existing and start-up enterprises are eligible under the Program.

Ineligible businesses are gun stores, liquor stores, pornography stores, massage parlors, pawn shops, check cashing businesses, cigarette stores, video game and gambling establishments.

Loan Information

The maximum loan amount is \$50,000, although exceptions may be granted on a case-by-case basis. Loans will be offered at a below market interest rate, with rate and term determined on a case-by-case basis. All loans must be repaid with interest.

Borrowers are required to contribute a minimum of 10% of the total costs of all improvements and related expenses.

Eligible Improvements and Expenses

Correction of all code violations is required for improvements utilizing the Business Development Loan Program. Eligible improvements under the Business Development Loan Program are:

- Tenant Improvements (e.g. fixtures, carpet, lighting, paint)
- Construction or demolition of interior walls
- Replacement of broken doors or windows
- Replacement or repair of furnaces, water heaters, faulty plumbing systems, electrical service or wiring
- Installation of fire extinguisher sprinkler systems, smoke detectors, or energy-saving devices
- Fees for professional services (including architectural and engineering), City/County permits, loan closing fees, appraisal, policy of title insurance, and pest control reports
- Equipment and machinery that is non-removable and non-personal with a useful life of more than 10 years.

Key Tenant Program

The program includes a "Key Tenant Incentive" to attract key businesses to Emeryville. Financial assistance under this program component is available for working capital, start-up costs, franchise fees, tenant improvements, equipment, advertising, and lease assistance. Deferred or partially forgivable loans may be considered on case-by-case basis under this program component

Façade Improvements

Businesses with store frontages on Park and San Pablo Avenues may apply to the [Façade Improvement Grant Program \(link\)](#) on exterior façade improvements

Ineligible Improvements

- New construction
- Property acquisition
- Working capital, advertising, training, start-up costs, cash for operating expenses, etc. (except as related to Key Tenant Incentives)
- Previously incurred franchise or other business development costs
- Expenses paid to any individual or organization which is not an independent third party to the project

Program Requirements

- **Security/Collateral.** Applicant must hold adequate assets (real or personal) to use as security for Agency loan. Collateralized security may include, but not be limited to, interest in machinery and equipment, furniture fixtures, land, building, property, inventory, and receivables. Recorded deed of trust on real property and UCC-1 filing will be used to secure loans. Tenant loans may require liens on the applicants' personal and real property, personal guarantees, UCC's, and/or partial lease assignment.
- **Owner Participation.** All loan applications submitted by tenants must include proof of the property owner's approval of the proposed improvements. Written consent may be either in the form of a lease indicating the lessee's responsibility for property renovation or documentation of the property owner's agreement to the proposed rehabilitation.
- **Construction.** Applicant must obtain at least two construction bids. Outreach to minority and women-owned businesses are encouraged. Construction of improvements must be completed within 180 days of loan closing, with exceptions determined on a case-by-case basis.

Administration

- Program to be coordinated by the Redevelopment Agency.
- Improvements that require a building permit will involve the Planning and Building Department.
- Loan applications will be reviewed by Redevelopment Agency staff.
- Loan applications will be submitted to the Redevelopment City of Emeryville Redevelopment Agency Board for review and final approval.

Technical Assistance

Businesses receiving loan assistance will be assessed of need for technical assistance and connected to organizations offering resources and training on business development. Technical assistance may be a requirement of loan assistance, determined on a case-by-case basis.

Further Information

For further information and to receive a loan application, please call the City of Emeryville Redevelopment Agency at (510) 596-4357.

Additional information will be requested by Redevelopment Agency staff as required to complete the application.