

Summary of Redevelopment Agency Programs for Businesses within the Downtown Core and Neighborhood Business Districts

Commercial Building Loan Program (CBLP)

The Commercial Building Loan Program offers financial assistance in the form of low interest or zero-interest participatory loans within Redevelopment Project Areas. The program is designed to assist property owners with the rehabilitation of commercial properties to eliminate blight, thereby creating and improving ground floor retail and upper floor commercial or mixed-use spaces.

By rehabilitating underutilized buildings and structures, the program removes blight and enhances the establishment of high visibility retail shopping districts. These newly renovated buildings provide improved merchandise choices by expanding the quantity and diversity of downtown and neighborhood retail businesses. The rehabilitation of the upper floors of existing, underutilized buildings also creates residential units and office space for small and medium size businesses whose occupants provide customers for the ground floor retail businesses.

SJRA Downtown Contact: Kelly Hyland 794-1037,

SJRA Neighborhood Business District Contact: 794-1000.

Façade Improvement Program (FIP)

The Façade Improvement Program (FIP) is a storefront rehabilitation program that assists property and business owners with the enhancement of buildings. FIP efforts help eliminate blight by transforming storefronts into more attractive shopping environments. By increasing business exposure and pedestrian traffic, the FIP helps revitalize older commercial districts. As a result, the program benefits both property owners and residents of the neighborhood.

The Program offers architectural design services, permit, bidding and construction management assistance, and funding up to \$33,000 with a \$5,000 match and contingency for each 60 linear feet of building frontage, or one grant per storefront. In special circumstances, the matching funds can be reduced.

SJRA Downtown Contact: Kelly Hyland 794-1037 or Edesa Bitbadal 794-1018,

SJRA Neighborhood Business District Contact: Lindsey Fonick 794-1153.

* Until the State budget is passed (not before July 1, 2003) and the actual impacts to the Redevelopment Agency's work plan are known, all loan and rehabilitation projects not currently under construction or contract will remain on hold.

Retail, Entertainment, and Arts Loan (REAL) Assistance Program

The Retail, Entertainment, and Arts Loan (“REAL”) Assistance Program provides financial assistance to building owners in the Downtown Core to fund rehabilitation to accommodate qualified uses which activate the streetfront and provide a publicly accessible activity or retail shopping experience. The intent of the program is to improve the condition of existing downtown buildings, increase street activity and diversity in the downtown retail marketplace, fill voids in retail market activity, and encourage long-term tenancies providing rent predictability and longevity to the tenants and providing stable rental income to the building owner.

Qualified tenants are either non-profit art organizations that has been incorporated as a 501 (c) (3) for at least 24 months or an approved retail tenant. The maximum loan amount is \$1.5 million, the interest rate is 0%, and the loan term is 10 years. After the approved tenant has occupied the space for one calendar year, 10% of the principle will be considered repaid; each year thereafter the principle of the loan will be reduced by 10% as long as the approved tenant remains in the space. The entire principle will be considered Repaid In Full as long as the approved tenant remains in the space for the entire 10-year period.

SJRA Contact: Kinshasa Curl 794-1062

Small Business Assistance Loan Program (SBLP)

The Small Business Assistance Loan Program (SBLP) is a joint project between the City’s Office of Economic Development (OED) and SJRA. The fund is being administered by OED and targets existing retail businesses located in the Downtown Core or in existing Neighborhood Business Districts (Alum Rock Ave., East Santa Clara St., Japantown, Monterey Corridor, Story Rd., The Alameda, and West San Carlos St.). The maximum loan amount is \$40,000, fully amortized, for 10-year terms, with 3% fixed interest rates. Loans may be used for: inventory and equipment, physical improvements, repayment of high interest debt, advertising or promotional campaigns, and overhead. At this time, using Small Business Administration (SBA) guidelines the maximum total annual receipts is \$6 million for most SBLP applicants. Businesses that are currently not profitable, but can demonstrate that they have been profitable for a majority of time over the last three years would also be eligible. Small businesses that may be considered too high risk for conventional commercial loans, or whose collateral is substantially less than what a commercial loan would require are encouraged to apply.

OED Contact: Juan Vigil 277-3619.

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Unreinforced Masonry Grant Program (URM)

The Unreinforced Masonry Building Grant Program (URM Grant Program) is for the seismic upgrading of unreinforced buildings in the Downtown Commercial District. The URM Program is designed to preserve architecturally significant structures and to enhance the commercial and retail elements of Downtown, while meeting public health and safety needs.

SJRA Contact: Bea Bea Jimenez 794-1017

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