

# Business Retention Enhancement loan program

## APPLICATION PROCESS

### BRE Program

The Austin City Council authorized the BRE Program as a permanent program effective February 23, 2009.

### Where to Get Applications

Loan Applications and Program Guidelines for the BRE Program are available at:

City of Austin Economic Development Department

301 W. 2<sup>nd</sup> Street, Suite 2030, Austin, Texas 78701 <http://www.austintexas.gov/departments/business-retention-and-enhancement-program>

### Who May Apply

The BRE Program is intended to provide low-interest loans for Eligible Costs to:

- Existing businesses located within the Eligible Area that are being displaced because of development, and
- Businesses locating to the Eligible Area

**The BRE Program is available only for these types of commercial uses:**

- |                                      |                        |
|--------------------------------------|------------------------|
| • Art Gallery                        | • Indoor Entertainment |
| • Food Sales                         | • Restaurant (General) |
| • General Retail Sales (Convenience) | • Restaurant (Limited) |
| • General Retail Sales (General)     | • Theater              |

Applicants must have a minimum of two (2) years of business operating experience in the type of commercial use for which you are requesting a loan.

“Eligible Area” means the area of Congress Avenue bounded by 11<sup>th</sup> Street on the north, Town Lake on the south, and the alleys directly east and west of Congress Avenue, and the area of East 6<sup>th</sup> Street bounded by Congress Avenue on the west, the southbound frontage road of IH-35 on the east, and the alleys directly north and south of East 6<sup>th</sup> Street, as indicated on the BRE Program map.

### Submission

- See the BRE Program Guidelines for more detailed information.
- Completed Loan Applications must be submitted to the Economic Development Department at the above address between the hours of 9 a.m. to 4 p.m., Monday through Friday.
- Please submit five (5) unbound copies of the complete Loan Application to the Economic Development Department.

## Loan Review Process

- The Loan Review Committee will perform a financial review of Loan Applications based on normal loan underwriting criteria.
- The Loan Review Committee is under no obligation to consider any Loan Application that is not complete.
- The Loan Review Committee reserves the right to determine the completeness of any Loan Application. The Loan Review Committee may request additional information, in which the Loan Applicant will have thirty (30) days to respond.
- Plans for projects that include façade and other exterior building improvements will be referred to the Historic Landmark Commission for appropriateness and design quality.

## Loan Approval Process

- The Loan Review Committee operates in an advisory capacity and will make recommendations for loan approvals to the Economic Development Department.
- Final loan approval will be made by the City Council.
- Successful Applicants will be required to sign a loan agreement and any other necessary documentation with the City of Austin.
- Loan funds will be disbursed in accordance with the terms of the agreement, and generally will be provided as reimbursement for eligible expenses, or paid out of an escrow account established for the loan.

## Loan Availability

- BRE Program loans are limited to the amount budgeted by City Council for the program.

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## FOR MORE INFORMATION CONTACT:

Economic Development Department

301 W. 2<sup>nd</sup> Street

Suite 2030

Austin, Texas 78701

Telephone: 512-974-7819

Fax: 512-974-7825

# Business Retention & Enhancement loan program



2014

City of Austin Economic Development Department  
PROGRAM GUIDELINES

# Business & Retention Enhancement

## LOAN PROGRAM

### PROGRAM GUIDELINES

#### Purpose:

The BRE Program is a City of Austin (“City”) economic development program in accordance with Chapter 380 of the Local Government Code to support re-establishing Congress Avenue and East 6th Street as retail and urban entertainment district destinations. The BRE Program is intended to provide low-interest loans for Eligible Costs to:

- Existing businesses located within the Eligible Area that are being displaced because of development, and
- Attract new businesses to the Eligible Area.

#### Goals:

The goals of the BRE Program are to:

- Improve the image of Congress Avenue and East 6th Street as destinations for the community, visitors and tourists.
- Enhance East 6th Street’s live music and entertainment district
- Stimulate private retail investment within the Eligible Area through property improvement, business development, retention and expansion.
- Improve the quantity and quality of goods and services available within the Eligible Area.
- Create and retain jobs.

#### Financial Assistance:

- The City may provide a loan to any one Applicant, in an amount not to exceed \$250,000.

**“I highly recommend this program to any qualified small business that is committed to staying downtown and contributing to our community. You could not ask for a better partner than the City of Austin.”**

**Love Nance**  
**President**  
**Apple Annies Inc.**

## Background

### 1960 – 1980:

In 1960 Downtown Austin was a thriving retail district that served the City's residential neighborhoods and surrounding communities. Within a few blocks of Austin's "100% corner" at Congress Avenue and East 6th Street, there was a concentration of local and national department stores such as Scarborough's, Yaring's, Levine's, JC Penney, Sears Roebuck, Woolworth, Western Auto, and Kress, as well as over one hundred smaller retailers, most selling clothing or home goods.

Through the 1960's and 1970's development of suburban shopping malls and centers coincided with the decline of Congress Avenue and East 6th Street as a retail destination. JC Penney in Downtown closed in 1970; Levine's in 1973; Western Auto in 1974; and Kress in 1980. In 1981, the year that the one million square foot Barton Creek Square Mall opened three miles from Downtown, Scarborough's Department Store closed its Congress Avenue location. Woolworth closed the next year, effectively signaling the end of Downtown as a significant retail destination.

As early as the late 1980's, groups began calling for a reinvestment in Downtown retail vitality. In their 1988 *Downtown Neighborhood Plan*, the City's Downtown Commission stated a goal to "promote the development of street-level, consumer-oriented retail establishments" in Downtown.

### 1990 and Beyond:

The City of Austin's 1990 report *East 6th Street Business Changes – 1975-1990*, found that the problems associated with the conversion of the street to an area of nighttime-only uses will continue without an infusion of daytime pedestrian traffic, and that "the loss of a critical mass of complementary retail businesses has made recovery of retail business problematic."

In a 1991 study of Downtown Austin by the American Institute of Architecture's Regional/Urban Design Assistance Team (R/UDAT), the team stated that "Downtown Austin is in desperate need of a stronger retail base." R/UDAT further stated that "It may well be that a significant new retail base in the area near East 6th Street and Congress Avenue can never be developed without some form of public financial participation in the project". R/UDAT recommended that "Existing and new small business aids, such as revolving loan programs, should be packaged to accomplish this objective."

The follow-up 1992 study, *R/UDAT Austin – A Call to Action*, adopted by the City Council "as a guide to implementing Downtown Austin revitalization," recommended actions focused on economically enhancing the Downtown area by increasing shopping and eating destinations for Austin's citizens and visitors.

In a 1997 visit, R/UDAT noted that "In most, if not all, cities, substantial Downtown retail and residential developments have only happened with public participation." In a 2000 visit, R/UDAT called on the community to develop a critical mass of retail and to establish and work towards a vision for Downtown that includes retail.

In their 2003 *Austin's Sixth Street Opportunities* the consulting firm Nichols-Gilstrap found that a successful broadening of the tenant mix to include more retail would increase sales volumes, resulting in higher property values, and would enhance the performance of the Convention Center.

In a separate consultant study, *Downtown Austin Retail Market Strategy*, prepared in May 2005 for the City of Austin and the Downtown Austin Alliance (DAA), the consultant recommended that efforts be made to revitalize retail in Downtown Austin. The City and DAA contracted with the same consultant to develop the retail strategies for Congress Avenue and East 6th Street. Both studies stressed the need to shift the balance from non-retail uses to retail uses, especially those that sell merchandise, and recommended a specific merchandising mix plan. In addition, the study recommended a 6th Street strategy – an Urban Entertainment District anchored by a mixture of entertainment including cultural attractions, live music and performance venues, movie theaters, restaurants, nightclubs/bars, and retail uses.

## Eligibility

### Eligible Applicant Preferences:

Preference will be given to the following categories of eligible businesses:

- Locally-Owned Businesses
- Minority-Owned Business or Women-Owned Business Enterprises

### Eligible Business Uses:

The BRE Program is available only for the types of commercial uses listed below. Applicants must have a minimum of two (2) years of business operating experience in these types of commercial uses.

- Art Gallery
- Food Sales
- General Retail Sales (Convenience)
- General Retail Sales (General)
- Indoor Entertainment
- Restaurant (General)
- Restaurant (Limited)
- Theater

[Note: All commercial uses are as defined in City Code Section 25-2-4.]

### Eligible Project Costs:

The loan proceeds may be used to finance Project fixed-asset costs whose useful life equals or exceeds five (5) years.

**Table 1: Represents the Eligible Project Costs for fixed assets by Applicant type**

Eligible Project Costs	Owner	Owner-Tenant	Tenant
1. Tenant finish-out improvements	X	X	X
2. Acquisition of machinery and equipment necessary for the operation of the business.		X	X
3. Building façade improvements that meet Storefront Design Guidelines [to be developed]. Eligible façade improvements may include:	X	X	
a. exterior treatment systems (i.e., painting, murals, siding, and bricking)			
b. repair, replacement, or installation of exterior doors, windows, and trim work, visible from the street			
c. structural improvements to building façade			
d. exterior electrical and lighting improvements			
e. masonry or tile cleaning and repair			
f. restoration of details in historically contributing or significant buildings			
g. removal of elements that cover architectural details			
h. costs associated with design work for the eligible facade improvements which do not exceed 10% of the total cost of the improvements			

## Ineligible Costs

The loan proceeds shall not be used for the following Project costs:

- Costs encumbered prior to closing on a BRE Program loan
- Speculative projects
- Purchase or lease of vehicles
- Incorporation and organization expenses
- Finders fee for financing
- Commitment fees on the first mortgage
- Application fees
- Working capital
- Inventory
- Intangible property (examples of intangible property include, but are not limited to, patents, franchises, goodwill, fees, trademarks or trade names.)
- Refinancing (other than construction financing approved by the City)

## Loan Conditions and Considerations

### Financial:

- The Applicant must demonstrate the financial need for a BRE Program loan for the Project and demonstrate that without the BRE Program loan the Project will not be economically feasible.
- The Applicant must demonstrate that projected Project revenues are sufficient to repay the BRE Program loan
- A negotiated number of permanent, full-time position(s) must be created or an equivalent of two (2) permanent full-time jobs retained. This requirement shall be maintained during the term of the loan.
- The Applicant shall agree to make its financial records available for inspection by City representatives during the term of the loan.

### Zoning:

- The Applicant must demonstrate compliance with all applicable zoning requirements for the Project and remain in compliance for the duration of the loan.
- The Applicant must adhere to all City building and technical codes and acquire all required building permits.

### Other Requirements:

- The Applicant must be current on all fees and taxes owed to the City.
- Applicants must have fee simple ownership or a lease with a term of five (5) or more years.
- The Applicant must repay the balance of the loan in full upon sale or discontinuance of the Project.
- Facade improvements may require Historic Landmark Commission review and approval.

### Loan Term, Interest Rate, Collateral, Early Repayment, and Default:

- The loan term will be negotiated based on the BRE Program loan amount, pledged collateral, and demonstrated financial need.
- The loan interest rate will be negotiated based on the BRE Program loan amount demonstrated financial need. In no case shall the loan interest rate be greater than six percent (6%) per annum.
- The City will take a lien position on the fixed-assets being financed. The City may also secure sufficient collateral coverage via liens or security interests against real property related and unrelated to the Project, or personal property. Other forms of collateral and security may include accounts receivable, cash and bank deposits; personal guarantees may be required. All loans must be fully secured prior to loan closing.
- The Applicant must secure and maintain appropriate property insurance during the entire term of the loan for any property pledged as security. The City must be named as an additional insured party.
- There is no penalty for early repayment of the BRE Program loan.
- Funds will be disbursed as reimbursements for an Applicant's payment of Eligible Project Costs, or paid out of an escrow account in accordance with the loan agreement, which shall establish terms and conditions deemed necessary, advisable or required by the City.
- A default shall consist of any use of BRE Program loan funds for any purpose other than as authorized in the loan agreement, or any breach of any loan agreement covenant or provision. Non-compliance with City development or zoning regulations will be an event of default.



## Application Submission Information Requirements

The Applicant must submit a loan application on a form to be provided by the City, with supporting documentation as required by the City.

**Table 2: Represents the loan application information that Applicants are required to submit to the City, unless otherwise determined by Economic Development.**

Loan Application Information	Owner	Owner-Tenant	Tenant
1. The Applicant must submit a Benefits Statement that addresses, but is not limited to the following issues:			
a. The extent to which the Project will contribute to any revitalization of the Eligible Area.	X	X	X
b. The number of permanent jobs to be created and/or retained directly by the Project excluding the period of construction or development, if applicable.	X	X	X
c. The increased valuation of real property in the City as a result of the completion of the Project.	X	X	X
2. The Applicant must provide a description and purpose of the improvements to be made:			
a. Façade improvements, if applicable.	X	X	
b. Tenant finish-out improvements or other physical improvements to be made to the property, if applicable.	X	X	X
c. Machinery and equipment to be acquired, if applicable.		X	X
3. The Applicant must provide the following financial information:			
a. A complete three (3) year business plan composed of four distinct sections: description of business, marketing, finances, and management.	X	X	X
b. Financial statements for the last two (2) years, including profit and loss statements and balance sheets in a manner acceptable by the City.	X	X	X
c. A cash flow pro-forma that supports the Applicant's repayment of the BRE Program loan in a manner acceptable by the City.	X	X	X
d. Business tax returns for the last two (2) years.	X	X	X
e. A current personal financial statement of each guarantor of the BRE Program loan.	X	X	X
f. Personal tax returns for the last two (2) years for each guarantor of the BRE Program loan.	X	X	X
g. Proof of business ownership, i.e. partnership agreement, articles of incorporation, or other documentation and similar documentation for non-profits.	X	X	X

## Administration

The City's Economic Development Department (ED) is responsible for the administration of the BRE Program and guidelines. In that capacity, the City shall perform the following duties:

- Receive applications from interested Applicants;
- Analyze Applicant information submitted for compliance with the BRE Program guidelines; and
- Select Applicants for BRE Program loans to be placed on the City Council agenda for consideration.

Interpretation of terms, conditions and requirements in these guidelines is delegated to the Economic Development Department.

The adoption of the BRE Program and these guidelines does not:

- Limit the discretion of the City Manager or the Economic Development Department to review loan applications, reject loan applications, or place particular loan applications on the City Council agenda for consideration; or,
- Limit the discretion of the City Council to decide whether to approve a specific loan; or,
- Create any property, contract, or other legal right in any person or entity to have the City staff or City Council consider or approve a specific loan application

BRE Program loans are limited to the amount of budget appropriations authorized by City Council for the Program.

**“After being displaced from our downtown location of 26 years, the BRE program offered Apple Annies the assistance it needed to relocate and expand into a historic building on Congress Avenue. We were able to retain our loyal customer base and longtime employees and the City was able to hold onto a piece of homegrown Austin history.**

**I highly recommend this program to any qualified small business that is committed to staying downtown and contributing to our community. You could not ask for a better partner than the City of Austin.**

**Thank you BRE program. We look forward to making you proud for many years to come.”**

**Love Nance  
President  
Apple Annies Inc.**

## Definitions

**“Applicant”** or **“Applicants”** means any individual person; private for-profit partnerships or corporations; nonsectarian, nonprofit organizations; and combinations thereof, including limited partnerships, partnerships or joint ventures that make application under the BRE Program guidelines.

**“Art Gallery”** means the use of a site for the display or sale of art.

**“Current Job”** means one or more budgeted full- or part-time positions of employment that amount to 40 hours of work with the Applicant that are in existence prior to receipt of a BRE Program loan which would otherwise be terminated if the financial assistance from BRE Program loan funds were not provided.

**“Downtown Area”** means the area generally bounded by IH-35, Martin Luther King, Jr. Boulevard, Town Lake, and Lamar Boulevard in the City of Austin, Travis County, Texas.

**“Eligible Area”** means the area of Congress Avenue bounded by 11<sup>th</sup> Street on the north, Town Lake on the south, and the alleys directly east and west of Congress Avenue, and the area of East 6th Street bounded by Congress Avenue on the west, the southbound frontage road of IH-35 on the east, and the alleys directly north and south of East 6th Street, as indicated on the BRE Program map.

**“Eligible Costs”** means the cost which can be paid for with the BRE Program loan funds made available under the loan agreement.

**“Food Sales”** means the use of a site for the retail sale of food or household products for home consumption. This use includes grocery stores, delicatessens, meat markets, retail bakeries, and candy shops

**“Full-Time Employee”** means a salaried position of not less than thirty (30) hours per week, or its contractual equivalent based on no less than the federal minimum wage. Two or more part-time employees whose hours total more than thirty (30) hours per week may be substituted for one Full-Time Employee.

**“General Retail Sales (Convenience)”** means the use of a site for the sale or rental of commonly used goods and merchandise for personal or household use, but excludes uses classified more specifically in this section. This use includes the provision of household cleaning and maintenance products, drugs, cards, stationery, notions, books, tobacco products, cosmetics, specialty items, apparel, jewelry, fabrics, cameras, photography services, household electronic equipment, records, sporting equipment, kitchen utensils, small home appliances, art supplies and framing, arts and antiques, paint, interior decorating services, office supplies, and bicycles.

**“General Retail Sales (General)”** means the use of a site for the sale or rental of commonly used goods for personal or household use, but excludes uses classified more specifically in this section. This use includes department stores, furniture stores, and establishments providing home furnishings, appliances, wallpaper, floor-covering or automotive parts and accessories (excluding service and installation).

**“Indoor Entertainment”** means the use is predominantly spectator use conducted within an enclosed building. This use includes meeting halls and dance halls.

**“Job Created”** means a permanent, full-time employee position offered by the Applicant that was not in existence prior to date on the loan application and represents a new salaried position that the Applicant commits in writing to employ until maturity of the loan.

**“Job Retained”** means a permanent, full-time employee position that is in existence as of the date of the loan application. The Applicant commits in writing to retain this position until maturity of the loan.

**“Locally-Owned Business”** means a business, including, without being limited to, a sole proprietorship, partnership, corporation, joint venture, limited liability company, or any other business or professional

entity, that is controlled by or at least 51% owned by an individual who resides in or has his or her principal place of business in the Austin MSA, or a group of individuals of which more than half reside in or have their principal places of business in the Austin MSA, or by an organization having its principal place of business in the Austin MSA.

**“Minority-Owned Business Enterprise”** means a business, including, without being limited to, a sole proprietorship, partnership, corporation, joint venture, limited liability company, or any other business or professional entity, which is at least 51 percent owned by one or more minority persons, or in the case of a publicly owned business, at least 51 percent of all classes of the stock of which is owned by one or more minority persons.

**“Project”** means a proposed commercial development, for which the Applicant is requesting a loan.

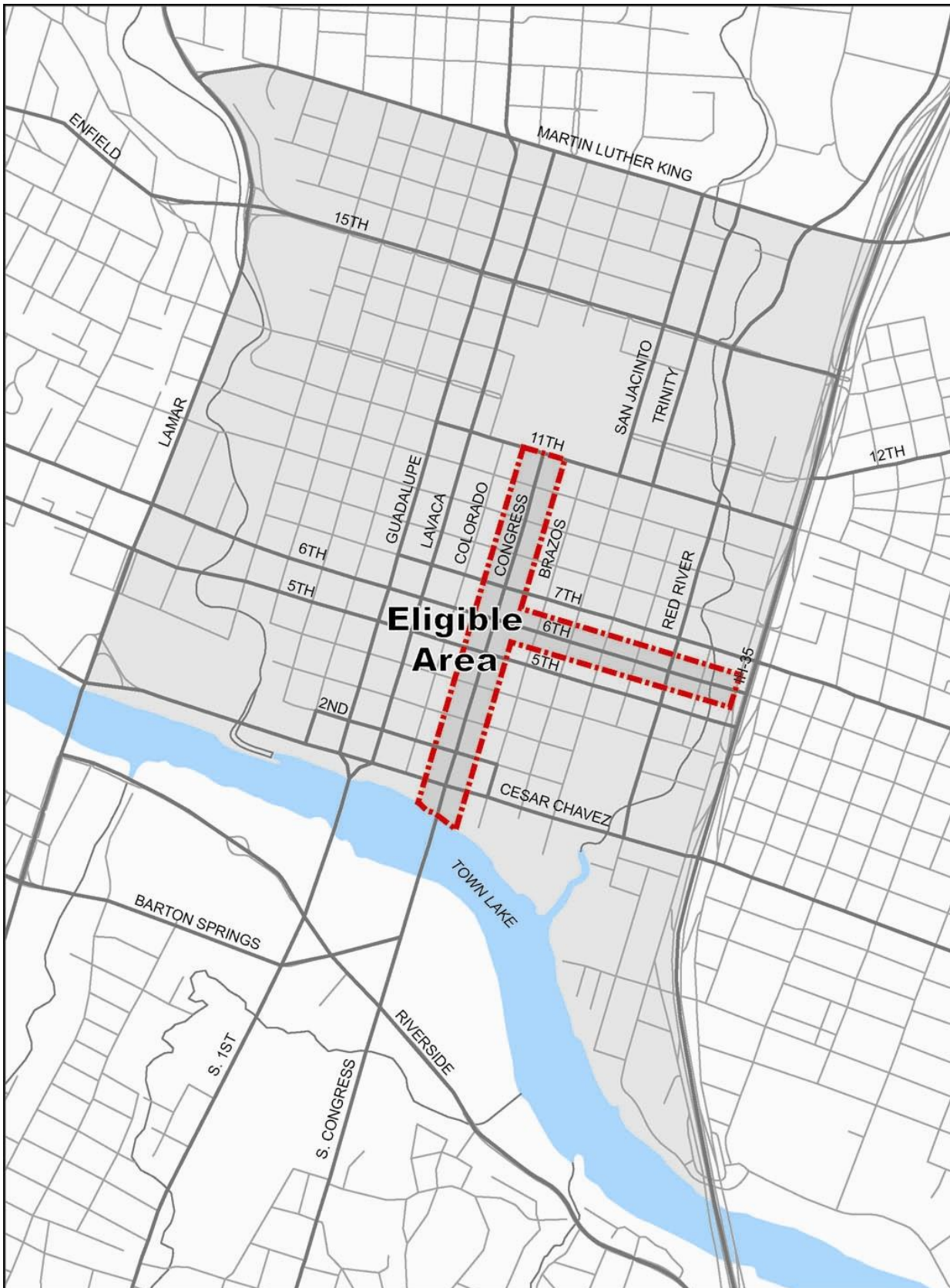
**“Restaurant (General)”** means the use of a site for the preparation and retail sale of food and beverages and includes the sale and on-premises consumption of alcoholic beverages as an accessory use.

**“Restaurant (Limited)”** means the use of a site for the preparation and retail sale of food and beverages and excludes the sale of alcoholic beverages for on-premises consumption.

**“Theater”** means the use of a site for presentation of plays, motion pictures, or other dramatic performances within a building.

**“Women-Owned Business Enterprise”** means a business, including, without being limited to, a sole proprietorship, partnership, corporation, joint venture, limited liability company, or any other business or professional entity, which is at least 51 percent owned by one or more women, or in the case of a publicly owned business, at least 51 percent of all classes of the stock of which is owned by one or more such women.

## BUSINESS RETENTION AND ENHANCEMENT PROGRAM MAP





# Business Retention & Enhancement loan program



2014

## City of Austin Economic Development Department LOAN APPLICATION FORM

Date Received: \_\_\_\_\_

Borrower Legal Name: \_\_\_\_\_

# Business & Retention Enhancement

## LOAN PROGRAM

### TEXAS PUBLIC INFORMATION ACT

The Loan Application is intended for internal City of Austin financial review as part of the BRE Program and efforts will be made to restrict circulation of the information included on the form to appropriate members of the City of Austin Economic Development Department (ED). However, please note that the Texas Open Records Act provides that information collected, assembled, or maintained by the City under a law or ordinance or in connection with the transaction of official business is generally considered to be public information. The Texas Open Records Act does provide that information relating to economic development negotiations with a business prospect may be withheld from disclosure unless and until an agreement is reached. In addition, proprietary commercial or financial information provided to the City on this form may be withheld from disclosure if such disclosure would cause harm to the business that furnishes the information to the City. The law requires a submission to the Texas Attorney General in order to assert these exceptions from public disclosure. If you consider any information submitted to the City to be such proprietary commercial or financial information, please clearly and specifically identify that information, so the City will be able to request that the Texas Attorney General authorize the nondisclosure of the information, in the event that an Open Records Act request is received.

## CHECKLIST

Please use this checklist as a guide to complete the documentation necessary to process your Loan Application. Incomplete Loan Applications will not be considered.

Minimum Eligibility Criteria	
<input type="checkbox"/>	Applicant's existing business is located within the Eligible Area and is being displaced because of development,
<input type="checkbox"/>	Applicant's business is locating to the Eligible Area.
<input type="checkbox"/>	Applicant's business is one of these types of commercial uses: <ul style="list-style-type: none"> <li>• Art Gallery</li> <li>• Food Sales</li> <li>• General Retail Sales (Convenience)</li> <li>• General Retail Sales (General)</li> <li>• Indoor Entertainment</li> <li>• Restaurant (General)</li> <li>• Restaurant (Limited)</li> <li>• Theater</li> </ul>
<input type="checkbox"/>	Applicant has a minimum of two (2) years of business operating experience in the above type of commercial use for which you are requesting a loan.
Business Information form	
<input type="checkbox"/>	Business Information form
<input type="checkbox"/>	Use of Funds/Budget form
<input type="checkbox"/>	Benefits Statement
<input type="checkbox"/>	Signed Certification and Disclosure
<input type="checkbox"/>	Signed Credit Check Authorization for the Applicant and each guarantor listed in the Business Information form
<input type="checkbox"/>	Complete three (3) year Business Plan using the business plan outline provided.
<input type="checkbox"/>	Deed showing fee simple ownership, minimum five (5) year lease agreement, or a title commitment.
<input type="checkbox"/>	Proof of business ownership, i.e., partnership agreement, articles of incorporation, or other documentation and similar documentation for non-profits.
<input type="checkbox"/>	Financial statements for the last two (2) years, including profit and loss statements, balance sheets, cash flows, and capital expenditures in a manner acceptable by the City.
<input type="checkbox"/>	Five (5) year cash flow pro-forma, in a manner acceptable to the City, which supports the Applicant's repayment of the BRE Program loan. The first year of the pro-forma must be shown by month. Include thorough explanations of financial projections and assumptions used
<input type="checkbox"/>	Key financial ratios for the proposed business
<input type="checkbox"/>	Signed and dated business tax returns for the last two (2) years
<input type="checkbox"/>	Current personal financial statement for the Applicant and each guarantor of the BRE Program loan
<input type="checkbox"/>	Signed and dated personal tax returns for the last two (2) years for the Applicant and each guarantor of the BRE Program loan
<input type="checkbox"/>	Provide the following information regarding building improvements, if applicable: <ul style="list-style-type: none"> <li>• Detailed description of the work to be completed</li> <li>• Schematic design illustrating all proposed work</li> <li>• Photographs of building to be improved and of adjacent properties</li> <li>• Description of methods and materials to be used</li> <li>• Preliminary cost estimates</li> <li>• Estimated construction completion time</li> </ul>

\* The City may request additional information if deemed useful in evaluating the Loan Application.



## BUSINESS INFORMATION

<b>Loan Amount Requested:</b>		
Contact Name:		
Title:		
Telephone:	Fax:	
E-Mail:		
Borrower Legal Name:		
Commercial Use: <input type="checkbox"/> Art Gallery <input type="checkbox"/> Food Sales <input type="checkbox"/> General Retail Sales (Convenience) <input type="checkbox"/> General Retail Sales (General) <input type="checkbox"/> Indoor Entertainment <input type="checkbox"/> Restaurant (General) <input type="checkbox"/> Restaurant (Limited) <input type="checkbox"/> Theater [Note: All commercial uses are as defined in City Code Section 25-2-4.]		
Business Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Other_____		
If Partnership, General Partner Legal Name:		
General Partner Legal Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Other_____		
Signatory Name:		
Signatory Title:		
North American Industry Classification System (NAICS) No:		
Standard Industrial Classification (SIC) No:		
Dun & Bradstreet No:	Federal Tax ID No:	
Locally-Owned Business: <input type="checkbox"/> Yes <input type="checkbox"/> No	MBE: <input type="checkbox"/> Yes <input type="checkbox"/> No	WBE: <input type="checkbox"/> Yes <input type="checkbox"/> No
Physical Address of Business:		
City:	State:	Postal Code:
Business Mailing Address (if different than above):		
City:	State:	Postal Code:
<b>List Any Parties Who Have or Will Have Ownership in the Business:</b>		
Names	Title and Percent Ownership	Phone Number
1.		
2.		
<b>List All Loan Guarantors:</b>		
Names and Addresses	Phone Number	
1.		
2.		
<b>Declarations:</b>		
Do you, your business, any other owner in your business, or guarantor have delinquent federal, state, payroll, sales or other tax liability?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there any outstanding tax liens or judgments filed against you, your business, any other owner in your business, or guarantor?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you, your business, any other owner in your business, or guarantor been involved in bankruptcy or insolvency proceedings within the last ten (10) years?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you, your business, any other owner in your business, or guarantor had property foreclosed upon or given title or deed in lieu?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Are you, your business, any other owner in your business, or guarantor involved in any pending lawsuits?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If renting or leasing, have you failed to pay rent on time during the last 12 months?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If you answered "Yes" to any of the above questions, please provide details on a separate sheet attached to this Loan Application.		

## USE OF FUNDS/BUDGET

Applicants are required to complete a Use of Funds/Budget form that provides the purpose and description of the total costs of the project for which a BRE Program loan is requested to fund a portion. BRE loan proceeds may be used to finance fixed-asset costs whose useful life exceeds five (5) years. A list of Eligible Costs can be found on Table 1 of the BRE Program Guidelines.

### Purpose of the project:

- ☐ Building façade improvements
- ☐ Tenant finish-out improvements or other physical improvements
- ☐ Machinery and equipment to be acquired for the operation of the business

Budget	Owner Equity	BRE Program Loan Request	Other Funding Sources	Total
Itemized Description				
Total Costs				

### Identify Other Funding Sources:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_

Telephone: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact: \_\_\_\_\_

Telephone: \_\_\_\_\_

## BENEFITS STATEMENT

Applicants are required to complete a Benefits Statement that includes answers to the following items in the order specified:

<b>Overview:</b>	Provide a brief overview of how you intend to use the loan proceeds. Include in this overview information relating to the practical feasibility of the business, the quality of the business, the quality of jobs provided by the business, the owner's equity and other private investment into the business, how your business will stimulate the Downtown economy, and other information that describes the merits of providing a BRE Program loan to the business. If your business is being displaced because of development, please describe the circumstances.
<b>Priorities and Objectives:</b>	Describe the priorities and objectives of your business and how your business relates to the BRE Program purpose and goals. The BRE Program seeks to: <ul style="list-style-type: none"> <li>• Improve the image of Congress Avenue and East 6<sup>th</sup> Street as destinations for the community, visitors, and tourists.</li> <li>• Enhance East 6<sup>th</sup> Street's live music and entertainment district.</li> <li>• Stimulate private retail investment within the Eligible Area through property improvement, business development, retention and expansion.</li> <li>• Improve the quantity and quality of goods and services available within the Eligible Area.</li> </ul>
<b>Contribution to Eligible Area:</b>	Describe the extent to which the business will contribute to any revitalization of the Eligible Area.
<b>Jobs Created and/or Retained:</b>	Identify the number of permanent jobs to be created and/or retained directly by the business for the next five (5) years, excluding the period of construction or development, if applicable.
<b>Real Property Valuation:</b>	Describe and enumerate the increased valuation of real property as a result of the completion of the construction. Specifically, list out the following: <ul style="list-style-type: none"> <li>• Current property taxes payable</li> <li>• Estimated property taxes after construction is completed</li> <li>• Net change in property taxes per year</li> </ul>
<b>Sales Tax Generation:</b>	Identify the estimated annual taxable sales for the next ten (10) years as a result of the completion of the construction.
<b>Financial Need:</b>	The Applicant must demonstrate financial need for a BRE Program loan for the business and demonstrate that without the BRE Program Loan the business will not be economically feasible. The Applicant must demonstrate that projected business revenues are sufficient to repay the BRE Program loan.
<b>Benefits:</b>	Summarize the benefits which will result. Benefits can be direct, indirect, short-term or long-term. Beneficiaries may include: <ul style="list-style-type: none"> <li>• Partners/applicants</li> <li>• Other identified stakeholders in Downtown Austin</li> <li>• City of Austin.</li> </ul> Provide details of how the business results will be shared with others in Downtown Austin.
<b>Other:</b>	Include information relevant to the business (i.e., list the required approvals and permits).

## CERTIFICATION AND DISCLOSURE

By submitting this Loan Application the Applicant hereby certifies to the City of Austin that the Loan Application and supporting documents are true, complete and accurate in all respects as of the stated date. The Applicant agrees that the acceptance of this Loan Application does not commit the City of Austin to enter into an agreement, to pay any costs incurred in its preparation, or to participate in subsequent negotiations. Further, the acceptance of this Loan Application does not constitute an agreement by the City that any loan will actually be approved. The City expressly reserves the right to reject any or all Loan Applications or to request more information from the Applicant.

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### **Applicant is a sole proprietor or partnership:**

Borrower Name: \_\_\_\_\_

By: \_\_\_\_\_

Signatory Name (print): \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Date: \_\_\_\_\_

### **Acknowledgement for sole proprietor:**

State of Texas, County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_.

(Personalized Seal)

\_\_\_\_\_  
Notary Public's Signature

### **Acknowledgement for partnership:**

State of Texas, County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_,  
\_\_\_\_\_, general partner on behalf of \_\_\_\_\_, a partnership.

(Personalized Seal)

\_\_\_\_\_  
Notary Public's Signature

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### **Applicant is a corporation:**

Corporate Name: \_\_\_\_\_

By: \_\_\_\_\_

Signatory Name (print): \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Corporate Secretary Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

### **Acknowledgement for corporation:**

State of Texas, County of \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_,  
\_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ corporation, on behalf of said  
corporation.

(Personalized Seal)

\_\_\_\_\_  
Notary Public's Signature

## CREDIT CHECK AUTHORIZATION

I/we hereby authorize you to release to the City of Austin, for verification purposes, information concerning:

- Employment history: dates, titles, income, hours worked, etc.
- Banking and savings account records
- Credit card, mortgage, and other loan information including open date, high credit, payment amount, due date, loan balance, interest rate, and payment record
- Exchange any information with the financial institution that is processing the application pertaining to this loan.

The above reports are for confidential use in compiling information regarding a BRE Program loan requested by the Applicant(s) signing this form.

A photocopy of this authorization (being a photocopy of signature(s) of the undersigned) may be deemed to be the equivalent of the original and may be used as a duplicate original.

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Name (Print)

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Social Security Number

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Signature of Signatory

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Date

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Guarantor Name (Print)

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Social Security Number

---

Signature of Guarantor

---

Date

# BUSINESS PLAN OUTLINE

The business plan is an important required component of your Loan Application. It will show how well your business has been thought out. Please include these elements within your business plan, as well as other elements you desire.

## 1. Executive Summary

- History of the business
- Business goals
- Summary of financial needs and application of loan funds
- Earnings projections and potential return of investors

## 2. Product or Service

- Describe product line(s) or type(s) of service
- Describe materials and supply sources
- Methods of production
- Quality and cost of production or service

## 3. Market Information

- Market area and industry trends
- Customers and potential new customers
- Competition, names, locations and size
- Advantage of your product/ service over others

## 4. Advertising

- Overall strategy for advertising and promotion
- Sales methods
- Pricing policy
- Customer service

## 5. Facilities

- Location
- Size and zoning
- Age and condition
- Expansion opportunities

## 6. Management and Personnel

- Management expertise
- Resume of key personnel
- Organization chart
- Professional services
- Present and future staffing requirements
- Personnel breakdown (number of employees, skill levels, hours, wage rates, etc.)

## 7. Summary of Future Plans

- Short range and long range
- Expansion
- Relocatio

The City of Austin Small Business Development Program currently provides technical assistance to small business owners which may be helpful as you prepare your loan application.

Contact info: Vicky Valdez, 512-974-7620.

