



City of San Leandro Business Incentives Broadband Connection Program



Broadband Connection Program Overview

The City of San Leandro Broadband Connection Program is designed to reduce the cost of connecting a commercial or industrial building to broadband infrastructure within the City of San Leandro. The Broadband Connection Program serves to stimulate innovation and high tech business activity in order to make commercial and industrial districts more competitive. The Program will reduce the cost of connecting a commercial or industrial building to broadband infrastructure through forgivable loans. Participants in the program may either be property or business owners.

The City's Broadband Connection Program was created in 2013. The Program offers up to \$10,000 in funds to encourage the connection of businesses and properties in the City to the broadband infrastructure within San Leandro. For approved projects, *the City will contribute up to half of the business or property owner's out-of-pocket expenditures*, to a maximum contribution of \$10,000, as a one-year forgivable loan secured through a Loan Agreement and a Promissory Note. The funds must be used to connect a property or business to a broadband network.

Evaluation Criteria

Applications to the Broadband Connection Program will be evaluated and ranked by the following three criteria: the ability to stimulate high-tech business activity, innovation, and job creation. These criteria are explained further on the back of the Program application. Projects will be accepted on a "first come, first serve" basis; however, priority will be given to those projects that meet the greatest number of the criteria. Based on demand, the City may specify a certain time period during which applications are received and evaluated.

Application and Intake Process

Upon receipt of a complete application, staff will perform a preliminary project evaluation. During this process the participant may be asked to meet with staff to answer questions and provide additional information. Once a project is selected to receive Broadband Connection Program funding, the applicant will be required to enter into a Loan Agreement.

Eligibility

Applicants must own the commercial property to be improved, be tenants of the commercial property or hold a master lease for the commercial property. The property must be located within the City of San Leandro.

Tenants must include a copy of the lease agreement and an affidavit from the property owner allowing them to make the proposed building and site modifications. The tenant will be required to verify that they have at least a five-year lease on the property. If the tenant has less than a five-year lease, the property owner is required to co-sign the Loan Agreement.

Loans are designed to reimburse the participant for completed improvements. The City will reimburse the Applicant for the agreed upon list of improvements upon written request specifying the amount and providing copies of bills and invoices for the completed work. Completion of the approved work will be verified by the City.

Financing

Loans are structured as an interest bearing, forgivable one-year loan. The Project is evaluated annually by City staff to determine if it continues to meet the terms of the Agreement. If no default occurs within the one-year term of the Agreement, the loan is forgiven. If a default occurs as defined in the Agreement, the loan becomes due and payable immediately. City staff has the discretion to work with the Participant to cure the default and structure a repayment schedule.

Upon notice of a change in ownership during the term of the Agreement, the loan may be assigned to the new participant at the sole discretion of City staff.

Maintenance and Participation Requirements: Upon notice of a change in ownership during the term of the Agreement, the loan may be assigned to the new participant at the sole discretion of City staff.

Prevailing Wage: To the extent applicable to the project, all contractors and agents hired by the Participant shall comply with California Labor Code Section 1720 *et seq.* (“Prevailing Wage Laws”) and shall be responsible for carrying out the requirements of the law. Participants in the ICG Program are solely responsible for determining whether Prevailing Wage Laws apply to the project.

For more information, please contact Deborah Acosta, the City of San Leandro’s Chief Innovations Officer at 510.577.3353 or dacosta@sanleandro.org.



City of San Leandro

Broadband Connection Program

Applicant/Business Name (Borrower): _____

Property Owner Name: _____

Site Address: _____ San Leandro, CA 94577

Mailing Address (if different): _____

APN #: _____

Daytime Phone: _____

E-mail: _____

Business Tax ID#: _____

Description of project; please see attached evaluation criteria on back of application (attach additional sheet if necessary):

Estimated total project cost: _____

Requested City loan amount*: _____

** Cannot exceed half of exterior improvement's total cost*

Applicant Statement: I have read this application and I understand the program guidelines.

Borrower Signature: _____ Date: _____

Print Borrower Signature: _____

Property owner signature: _____ Date: _____

(If applicant is a business tenant, the property owner must sign to authorize the application)

Print Owner Signature: _____

Please attach the following before submitting application:

- An itemized Contractor's cost estimate of all broadband connection costs
- A property insurance certificate with all endorsements attached
- Site photo(s)

Return complete applications to Economic Development, City Hall, 835 E. 14th Street, San Leandro, CA 94577. Call 510-577-3311 with any questions about completing the application or the program in general. Good luck with your project!

