

Loans for Business Improvements

The City of Sonoma's Business Improvement Matching Funds Loan Program is designed to support business creation and retention and enhance community vitality, by providing loans for businesses to rehabilitate, renovate, or improve existing commercial buildings.

As a business owner, you may be eligible for up to \$10,000 in dollar-for-dollar matching funds for:

- Façade improvements
- Disabled accessibility improvements
- Energy or water efficiency improvements
- Building rehabilitation
- Historic building improvements

Businesses that meet the definition of a "formula business" under the City's municipal code, or are home-based, are ineligible for this program. Funds are limited, and priority is given to businesses meeting certain criteria. For details, see the Program Guidelines available at City Hall, at SonomaCity.org, or at SonomaChamber.com.



Historic building improvements are among the eligible expenditures.



Since 2004, the City of Sonoma has partnered with the Sonoma Valley Chamber of Commerce in the **Sonoma Valley Economic Vitality Partnership**, a unique collaboration supporting our local economy. Goals include:

Helping existing businesses to thrive and grow

Helping new businesses to get started in Sonoma Valley

Helping make Sonoma a great place to do business.

For more information and resources, visit **SonomaChamber.com** and check out the "Business Assistance" tab. It's a "one stop shop" for new and growing businesses, with information about site location, permits, and licenses, along with resources such as demographic and economic data for use in business planning, business workshops, one-on-one advisory services, and an A-to-Z resource guide.



City of Sonoma Business Improvement Matching Funds Loan Program



Business Improvement Matching Funds Loan Program

How does the program work?

Owners of new and existing businesses located in the City of Sonoma can apply for matching funds for eligible improvements in five categories. Up to \$5,000 in matching funds may be obtained for qualifying expenditures in any single category, and up to \$10,000 in total matching funds may be obtained for a property in a three-year period.

Ineligible costs include new construction; costs related to the addition of floor space; nonpermanent furniture, fixtures, and equipment; roof replacement, and routine maintenance items. Retroactive applications will not be accepted; applicants must obtain a signed loan agreement before work begins on improvements to be assisted under this program.

If approved, the matching funds are provided in the form of a no-interest loan with a three-year term. Loans require a maintenance agreement and a personal guarantee. Provided the improvements are maintained and the business remains in operation, one-third of the loan is forgiven each year. Please refer to the Program Guidelines for details.



Many types of façade improvements are eligible for the matching funds program.

What improvements qualify?

Façade Improvements: Improvements to the exterior wall or other exterior elements of the building fronting on and visible from the street, including permanent awnings, architectural elements, window and door improvements, masonry, exterior tile work, permanent signage, exterior lighting, built-in planter boxes, and built-in seating. Painting, landscaping, bicycling parking and parking lot improvements may be eligible if part of a larger facade improvement project with multiple elements.

Accessibility Improvements: Structural and other physical improvements to the building to increase access for individuals with disabilities, including (but not limited to) improvements to entry doors, the parking area and the path of travel to and including the building entrance. Costs for a certified access specialist (CASp) survey are also eligible.

Energy and Water Efficiency Improvements: Lighting retrofits, insulation and weatherization, energy management systems, HVAC system upgrades, water heating systems, irrigation efficiency systems, rainwater harvesting systems, low-flow toilets, and similar types of improvements to the building or property that have been identified through a qualified energy and/or water efficiency survey and/or are required by current building code.

Building Rehabilitation Improvements: Improvements that are triggered by current building code for the proposed business use, including structural improvements, plumbing or electrical improvements, and installation of fire sprinklers.

Historic Building Improvements: Architectural and engineering costs for structural improvements to commercial buildings that have been designated as historic by a recognized local, state, or federal agency. Costs for plans and pre-construction reports and other required documents prepared by a licensed architect and/or engineer, or reports prepared by an approved testing agency, are eligible.

How can I apply?

To apply, the business owner must complete an application form and provide descriptions and initial cost estimates for the proposed improvements. If you lease your space, you'll need to provide written consent of the property owner to make the proposed improvements.

Applications are subject to review and approval by the City Manager and/or a City loan committee. Priority will be given to businesses occupying historic buildings, properties with functional obsolescence in building features, or properties that have been vacant for more than one year; and to businesses that contribute to the diversity of the local business mix; among other criteria. Applications that are determined not to meet the priority criteria may be deferred for reconsideration at a later date.

Application forms and program guidelines can be found at SonomaCity.org and SonomaChamber.com. If you have any questions, contact the Economic Development Program Manager, Laurie Decker, at (707) 327-7338.



Disabled access is one of the five categories of eligible improvements.