



*Small Town with  
a Big Backyard!*

# CITY OF BISHOP

377 West Line Street - Bishop, California 93514  
Post Office Box 1236 - Bishop, California 93515  
760-873-8458 publicworks@cityofbishop.com  
www.cityofbishop.com

## City of Bishop Commercial Façade Improvement Revolving Loan Fund Program Description and Conditions

### Purpose:

To encourage and enable both lessees and landlords to enhance the appearance of their store exteriors, invest in remodeling activities so as to comply with state and federal building and access codes, and enhance the aesthetic appearance of downtown Bishop. The program is also designed to encourage economic development, community investment, and job creation. These goals will be accomplished through a financial incentive for the owners of buildings in Bishop to invest in façade and building improvements.

Since funding sources are limited, priority will be given to projects demonstrating the most substantial impact on building and neighborhood aesthetics. Loans will be scored by City Staff based on the criteria described below and awarded by City Council based on the completeness of the application, consistency with the program's objectives and ability of the business or property owner to repay the loan, and will be limited to one application per business through the term of the loan.

### Area of Eligibility:

All commercial and office-professional zoned property within City limits, including C-1 General Commercial and Retail, C-2 General Commercial, CH Commercial Highway Services, and O-P Office and Professional.

In addition, municipal property taxes, utility bills, business license, and assessments on the property must be current before the application will be processed and before funds will be released.

### Use of Loans:

The loans are intended for remodeling and aesthetic treatments including, but not limited to, historic façade restoration, Americans with Disabilities Act (ADA) compliance, paint, awnings, overhangs, windows, and doors. To qualify for consideration, the project must result in visible improvement of the overall façade or operational improvement to support a business.

Generally, the following items are not eligible:

- Non-visible roofing not in conjunction with a visible façade improvement;
- Signage unrelated to the architecture of the building;
- Mechanical equipment enclosures (non-visible);
- Parking lots;

- Temporary, portable or non-permanent improvements;
- Facades not visible from a public right-of-way;
- Property acquisition;
- Working capital;
- Refinance of existing debt;
- Improvements in progress or completed prior to loan/grant approval;
- Loans for speculative purposes.

Loan Amounts and Terms:

\$5,000 up to \$10,000	3 year term at 2%*
\$10,001 up to \$20,000	5 year term at 2.5%*
\$20,001 up to \$30,000	7 year term at 3%*

\* No prepayment penalty clauses.

Time Schedule:

Priority will be given to projects demonstrating the most substantial impact on building and neighborhood aesthetics or financial need to meet State building requirements for business purposes. Applications will be reviewed within 30 days of the end of the application period. Start of project must begin within six (6) months of application approval.

Quality Control:

All work done with loan funds must be done in accordance with all applicable local, state, and federal laws including building and safety codes. Please check with the City before starting any demolition or construction work. Most projects will require building permits and in some cases Planning Commission approval.

Application Scoring Criteria

Applications will be reviewed and considered for approval by the City Administrator and City Planning Department. Approvals will be scored and awarded based upon the following criteria:

- Historical and architectural significance of the design
- Potential impact of the project on the district, streetscape in general, or on the building in particular
- Necessity to meet State or Federal requirements, such as ADA compliance
- Location of the building—visually prominent areas
- Quality of the proposal and adherence to procedure
- Overall cost of the project
- Availability of revolving loan funds
- General creditworthiness will be determined as part of the application process. Collateral may be required based on the total loan amount and the ability of the applicant to pay off the loan.
  - The City of Bishop may consider the following criteria to test credit worthiness: (1) Repayment Ability: Your ability to meet business expenses,

owners draw, and loan payments from the earnings of the business. This is usually demonstrated through historical performance and/or thoroughly documented cash flow projections. (2) Management: You must show ability to operate the business successfully. For a start-up, you should have experience in the type of business you propose to start, as well as some significant work experience at a management level. (3) Equity: The owners must have enough of their own money at stake in the business: (a) For a New Business (or when buying a business) you should have approximately one dollar of cash or business assets for each three dollars of the loan. (b) For an Established Firm, the after-the-loan business balance sheet should show no more than four dollars of total debt for each dollar of net worth.

Applications that are denied may reapply with revisions to the application.

The program has an initial starting balance of \$150,000. The City is not required to obligate the entire balance. The loan payments will regenerate the program balance and make additional loans available on an ongoing basis.

City of Bishop Commercial  
 Façade Improvement Revolving Loan Fund Program  
 Truth in Lending Disclosure Statement

NOTICE TO APPLICANT: This is a disclosure statement required by the Consumer Credit Protection Act relating to your anticipated repayment of a Downtown Storefront Revitalization Loan. This statement is not a contract or commitment. Please refer to the loan agreement and the contract for the terms and provisions of this transaction.

A. Applicant:

Applicant Name \_\_\_\_\_ Co-Applicant Name \_\_\_\_\_  
 Street Address \_\_\_\_\_ City \_\_\_\_\_  
 State \_\_\_\_\_ Zip \_\_\_\_\_

ANNUAL PERCENTAGE RATE

The cost of your loan is a yearly rate: \_\_\_\_\_ %

AMOUNT FINANCED

The amount of loan provided to you or on your behalf: \$ \_\_\_\_\_

TOTAL OF PAYMENTS

The amount you will have paid after you have made all payments as scheduled: \$ \_\_\_\_\_

Principal: \$ \_\_\_\_\_

Interest: \$ \_\_\_\_\_

FINANCE CHARGE

The dollar amount the loan will cost you: \$ \_\_\_\_\_

Interest:

Your payment schedule will be:

Number of Payments	Amount of each payment	When payments are due

STATEMENT OF INSURANCE: Property or liability insurance may be obtained by Applicant(s) through any person of his/her choice and is not attainable through the local lender.

DEFAULT DELINQUENCY AND SIMILAR CHARGES: Should the indebtedness not be paid when due, applicant shall be responsible for attorney's fees and all costs of collection.

I ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS STATEMENT, AND I HAVE NOT SIGNED ANY NOTE, CONTRACT, OR ANY OTHER AGREEMENT IN CONNECTION WITH THIS CREDIT TRANSACTION.

DATE: \_\_\_\_\_ Applicant's Signature \_\_\_\_\_

DATE: \_\_\_\_\_ Co-Applicant's Signature \_\_\_\_\_

City of Bishop Commercial  
Façade Improvement Revolving Loan Fund Program  
Loan Agreement

\$ \_\_\_\_\_ Borrower \_\_\_\_\_

For Value Received, the undersigned (hereafter, "Borrower"), jointly and severally, promise(s) to pay in lawful money of the United States to the City of Bishop or its assignee at its principal place of business at 377 West Line Street, Bishop, CA., the principal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), or such lesser amount as shall equal the aggregate amount disbursed to Borrower by the City of Bishop, together with interest in the unpaid principal computed from \_\_\_\_\_, 20\_\_\_\_, until repayment by Borrower, at the simple interest rate of \_\_\_\_\_% per annum. The maximum term of the loan will be for \_\_\_\_\_ years, with no prepayment penalty for early payoff. The principal and interest payable in installments of \$ \_\_\_\_\_ dollars on the day of each consecutive month, beginning on the \_\_\_\_\_ day of \_\_\_\_\_, and continuing until 20\_\_\_\_.

Borrower agrees to keep hazard insurance on the after-renovation value of the building in effect at all times during the term of the loan.

The borrower agrees to maintain the facade for a minimum of 10 years.

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated in writing herein shall be binding on any of the parties hereto.

Borrower and City of Bishop agree that funds will be expended pursuant to this Agreement only for the purposes, activities, and amounts which have been set forth in detail in the application and approved by the City of Bishop.

Upon the proper execution of the Loan Agreement, the appropriate security instruments agreed upon during the loan application process and required supplemental documents, the City of Bishop agrees to commit to Borrower funds not to exceed \$ \_\_\_\_\_ and to disburse said funds as hereinafter set forth only for the purposes and amount approved by the City of Bishop.

Borrower agrees that the City of Bishop will disburse funds pursuant to progress payments to Borrower and assignee.

It is further stipulated that the entire sum including any interest, is due and payable \_\_\_\_\_ years from the date of the Note's execution or upon voluntary or involuntary transfer of business ownership, contract to sell or transfer, or sale of the commercial building, whichever is earlier. If a transfer is to a Spouse due to death or dissolution of Borrower, such transfer does not require immediate repayment.

On the occurrence of any default, the City of Bishop at its sole election, after 60 days written notice to Borrower, may declare all or any portion of the principal and accrued interest on the

Note to be immediately due and payable and may proceed thereafter at once without further notice to endorse the Loan Agreement according to law.

Borrower agrees to pay all customary and reasonable collection costs, including attorneys' fees.

Each of the following occurrences shall constitute an event of default: (1) Failure of the Borrower to repay any principal and interest when due under the terms of the Loan Agreement or to obtain an extension of time; (2) Termination of said Loan Agreement pursuant to the terms thereof or breach by the Borrower of any terms of the Loan Agreement; (3) Failure of the Borrower to undertake in a timely way the express and implied activities for which said Loan Agreement has been executed or a substantial reduction by the Borrower in the scope of said activities; (4) Occurrence (a) of the Borrower's becoming insolvent or bankrupt or being unable or admitting in writing his/her inability to pay his/her debts as they mature or making a general assignment for the benefit of or entering into any compromise or arrangement with creditors, (b) of proceedings for the appointment of a receiver, trustee, or liquidator of the assets of the Borrower or a substantial part thereof, being authorized or instituted by or against the Borrower, or (c) of proceedings under any bankruptcy, reorganization, readjustment of debt, insolvency, dissolution, liquidation, or other similar law of any jurisdiction being authorized or instituted against the Borrower.

This Loan Agreement shall be binding upon the Borrower and his/her successors and assigns and upon the City of Bishop.

The Loan Agreement shall be construed and enforced in accordance with the laws of the State of California. I, the Borrower, have read, understand, and agree to the terms of the Loan Agreement.

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

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

BORROWER

CITY OF BISHOP

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

City of Bishop Commercial  
Façade Improvement Revolving Loan Fund Program  
Property Owner Authorization  
for Improvements

As the legal property owner of the commercial building located at \_\_\_\_\_, I hereby grant my permission for the following improvements to be constructed at the above listed site with loan funds to (borrower and current tenant):

\_\_\_\_\_.

Description of improvements:

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The borrowers will have the option to perform the work themselves, utilize laborers, or contract with a licensed contractor. The borrower has signed a personal guarantee for a loan in the amount of \$\_\_\_\_\_ for this work.

NAME (print or type)

\_\_\_\_\_

ADDRESS

\_\_\_\_\_

Zip                      Street    City    State

TELEPHONE NUMBER \_\_\_\_\_

Signature \_\_\_\_\_ Date

\_\_\_\_\_



NAME AND ADDRESS OF AGENCY -  
WHERE NOTICE MUST BE MAILED -

CITY OF BISHOP, P. O. BOX 1236  
BISHOP, CALIFORNIA 93514

APP. # \_\_\_\_\_  
(Identification of  
Transaction)

**NOTICE TO CUSTOMER REQUIRED BY FEDERAL LAW:**

You have entered into a transaction on \_\_\_\_\_, 20\_\_ which will result in an obligation of the personal loan guarantee. You have a legal right under federal law to cancel this transaction, if you desire to do so, without any penalty or obligation within three (3) business days from the above date or any later date on which all material disclosures required under the Truth-In-Lending Act have been given to you. If you so cancel the transaction, the personal loan guarantee arising from this transaction is automatically void. You are also entitled to receive a refund of any down payment or other consideration if you decide to cancel this transaction. **YOU MAY CANCEL THIS TRANSACTION BY NOTIFYING THE AGENCY LISTED ABOVE BY MAIL SENT NO LATER THAN \_\_\_\_\_, 20\_\_.** You may also use any other form of written notice identifying the transaction if it is delivered to the above address not later than that time. This notice may be used for that purpose by dating and signing below:

I HEREBY CANCEL THIS TRANSACTION:

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Date

**EFFECT OF RESCISSION:** When a customer exercises his or her right to rescind under the above paragraph in this section, he or she is not liable for any finance or other charge, and any security interest becomes void upon such a rescission.

City of Bishop Commercial  
Façade Improvement Revolving Loan Fund Program  
Project Application

Date Submitted: \_\_\_\_\_ Received by: \_\_\_\_\_

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

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

Project Amount: \_\_\_\_\_

Loan Amount Requested: \_\_\_\_\_

Project Location: \_\_\_\_\_

Property Owner: \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Email \_\_\_\_\_

Contractor: \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Please submit the following documents as part of your application:

- A detailed Project Description defining all activities and intended results that give an accurate picture of the project's scope including:
  - Cost estimates
  - Project location and site plan
  - Photo of existing conditions
  - Project elevations, rendering, and/or materials samples
  - Building plans, and
  - project timeline.
- Statement conveying all funding sources for the project.

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Applicant signature

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Property owner signature

FOR INTERNAL USE ONLY

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

City Administrator approval \_\_\_\_\_ Date \_\_\_\_\_

Planning Department approval \_\_\_\_\_ Date \_\_\_\_\_

Finance Director approval \_\_\_\_\_ Date \_\_\_\_\_