



Town of Castle Rock

Agenda Memorandum

Agenda Date: 4/21/2020

To: Honorable Mayor and Members of Town Council

From: David L. Corliss, Town Manager
Kristin Read, Assistant Town Manager

Discussion/Direction: COVID-19 Small Business Support One-Time Grant Request

Discussion

As Council is aware, staff solicited applications from April 9-16 for the COVID-19 Small Business Support Grant Program. Given the compressed timeframe for the program, which was approved the evening of April 7, staff used the following methods to share with the local business community information about the program:

- On April 8 issued a news release about the program and other Town business support programs, which was posted to CRgov.com and shared on the Town's social media channels; information was also shared in the Town Council meeting update sent out on this day
- On April 9 emailed all Town-licensed businesses for which the Town has an email on file (1,300+) about the Town's assistance programs (please see Attachment A for example); staff deemed sending physical mail notices impractical given the compressed timeframe to receive applications, established with the goal of getting funds out to businesses as quickly as possible
- On April 9, the Town's business partners – the Castle Rock Economic Development Council and Castle Rock Chamber of Commerce – sent email blasts to their memberships that included information about the program; information about the program was further shared during formal and informal calls with these organizations' members
- On April 14, the Town shared a social media reminder of the deadline to apply for the program
- Additional to these methods, there were numerous other communications about the program passed on through social media posts and shares on other local and personal pages, in one-on-one communications and more

On Saturday, April 18, staff was contacted by the owner of one local business, The Yoga Studio, who said she had just learned about the program, and was requesting to apply. Staff informed the business owner that applications were no longer being accepted, since Council adopted the program with an application deadline of April 16.

Upon checking email records, staff found it had sent the April 9 email notice to the business in question using the first email it had on record for the business, which apparently was no longer valid. Staff had on record other email addresses for the business but only sent the information to the first email on file, as it did for all businesses.

The business owner subsequently told staff she had contacted the Town by phone to update her business email with the Town. Staff is unable to confirm that request, since it occurred by phone.

Given the available information and situation, staff believes it most appropriate to refer this request for a late application directly to Council, so Council can make a determination on whether to accept an application from The Yoga Studio.

Under staff's recommended funding approach for the grant program, the business could be eligible for a grant of \$1,000 if all other requirements are met, which would be determined if an application is allowed to be submitted.

Staff is unaware at this time of any other businesses that believe they did not receive adequate notice of the program. As detailed above, staff worked with its partners in the community to make robust efforts to get the word out about the program given the time constraints in place.

Staff requests that Council review the information within this memo and provide direction as to whether an application from the business in question should be accepted.

Attachment

Attachment A: April 9 Email to Businesses

Subject: FW: Town Council approves new small business grant, loan programs
Date: Monday, April 20, 2020 at 12:17:42 PM Mountain Daylight Time
From: Kristin Read

From: Pete Mangers <pmangers@crgov.com>
Sent: Thursday, April 9, 2020 12:15 PM
To: Pete Mangers <pmangers@crgov.com>
Subject: Town Council approves new small business grant, loan programs

Town Council approves new small business grant, loan programs

The COVID-19 pandemic is causing unprecedented small business impacts. Accordingly, Town Council is offering never-before-seen local business support programs, to help the many outlets that contribute to our community's economy and character continue to succeed.

Council approved the latest of these initiatives Tuesday – a program offering one-time grants of up to \$5,000 per business, and another offering firms no-interest, no-fee loans of up to \$25,000.

Together, these new programs represent \$600,000 in Town investment in local businesses. This is on top of \$200,000 already invested in a separate crowdsourced loan program and up to \$500,000 being offered in water bill assistance, for a total of up to \$1.3 million in Town resources being dedicated to help small businesses at this time.

"Castle Rock is in this together, and that includes the Town," said Mayor Jason Gray. "I'm proud that the Town Council has been able to act quickly to ensure we're giving local businesses all support we can."

The application for the COVID-19 Small Business Support Grant Program opens tomorrow, April 9, and will be available through 5 p.m. Thursday, April 16. Non-home-based businesses that have been operating in Castle Rock for at least a year and that have applied for a federal SBA loan are eligible to apply at [CRgov.com/BusinessGrants](https://crgov.com/BusinessGrants). All applications submitted by the deadline will be considered.

Priority will be given to firms most impacted by the pandemic, including storefront retail, restaurants and personal care businesses. Preference will be given to businesses that collected and remitted Town sales tax during 2019. Additional criteria are available online. A committee will recommend up to \$200,000 in total grants for Town Council's consideration at its April 21 meeting, with assistance checks going out to recipients soon after.

The new loan program, meanwhile, is anticipated to be available in the coming months. \$400,000 in Town funds will be leveraged to offer up to \$2 million in first-come, first-served loans through the Castle Rock Economic Development Council in partnership with Colorado Lending Source. Criteria and other detailed information will be shared at CastleRockEDC.com once details are finalized.

The EDC is also the Town's partner in the COVID-19 Kiva Community Loan Program, which Town Council approved March 30 and voted to amend Tuesday. Now, local businesses pursuing crowdfunded loans through that platform can receive up to \$4,000 – or 50% of the loan total, whichever is less – in Town support. Visit the EDC website for details on this option and on other business support programs presently available.

Another way the Town is helping businesses is with water bill assistance of \$1,500 – a \$750 credit and a \$750 loan. Residential water bill payment aid is available, too, at \$300 per customer.

Information is online at CRgov.com/CRWaterCares.

The Town's business support programs are structured so that up to \$850,000 of the \$1.3 million being invested would ultimately come directly back to Town coffers. Other indirect benefits would be realized, too, as supported businesses fully reopen to provide the community services and contribute to the local sales tax base.