

To: Honorable Mayor and Members of Town Council

From: Kristin Read, Assistant Town Manager

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UPDATED: COVID-19 Business Support Programs In Castle Rock

Executive Summary

The COVID-19 pandemic continues to cause unprecedented small business impacts. Accordingly, Castle Rock Town Council has been offering never-before-seen local business support programs, to help the many Castle Rock businesses that contribute to the community's economy and character continue to succeed. The purpose of this memo is to provide an update on the four programs that together are providing up to \$1.3 million in Town resources to help small businesses in Castle Rock.

Discussion

The **COVID-19 Small Business Support Grant Program** provided grants ranging from \$500 to \$5,000 to 96 local businesses, totaling \$266,500 in support. Priority was given to firms most impacted by the pandemic, including storefront retail, restaurants and personal care businesses. Preference was further given to businesses that collected and remitted Town sales tax during 2019. Town Council awarded the grants at its April 21 meeting, and the assistance checks went out to recipients soon after. Visit CRgov.com/BusinessGrants to view more specific information about these awards.

A **local business loan program** is anticipated to become 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 details continue to be developed and will be shared at CastleRockEDC.com once finalized.

The EDC is also the Town's partner in the **COVID-19 Kiva Community Loan Program**, which Town Council approved in late March. Local businesses pursuing crowdfunded loans through this platform can receive up to \$4,000 – or 50% of the loan total, whichever is less – in Town support, which will total up to \$135,000 for this program. As of mid-May, 10 local businesses had been fully funded via the platform, raising a total of nearly \$100,000. Interested businesses should contact the EDC for details.

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 business portion of this program totals up to \$500,000, with the total program – which also includes fee waivers – coming in at \$800,000.

The Town's business support programs are structured so that up to \$785,000 of the \$1.3 million being invested could 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.