



Business Impact Opportunity Program Ordinance

Agenda

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Problem Statement

Denver has several large capital projects coming up as part of the Vibrant Denver Bonds, and other ongoing horizontal construction projects like Bus Rapid Transit. These projects disrupt the flow of traffic and consumer habits, significantly affecting nearby businesses.

The Business Impact Opportunity (BIO) Fund has been the city's only tool to mitigate the disruption caused by large horizontal construction projects in Denver. While vital, this tool is not sufficient, and we need more options to support small businesses impacted by these projects.

Peer City Research

San Antonio, TX

- Grant program to support small business
- Must be located adjacent to city-initiated construction
- Projects must last longer than 12 months
- Funds must be used for business related expense
- Businesses must meet minimum gross sales limits and require customer foot traffic
- Businesses must remain at the location one year after receiving a grant
- Program is funded at \$3.7 million and grants up to \$35,000 per business

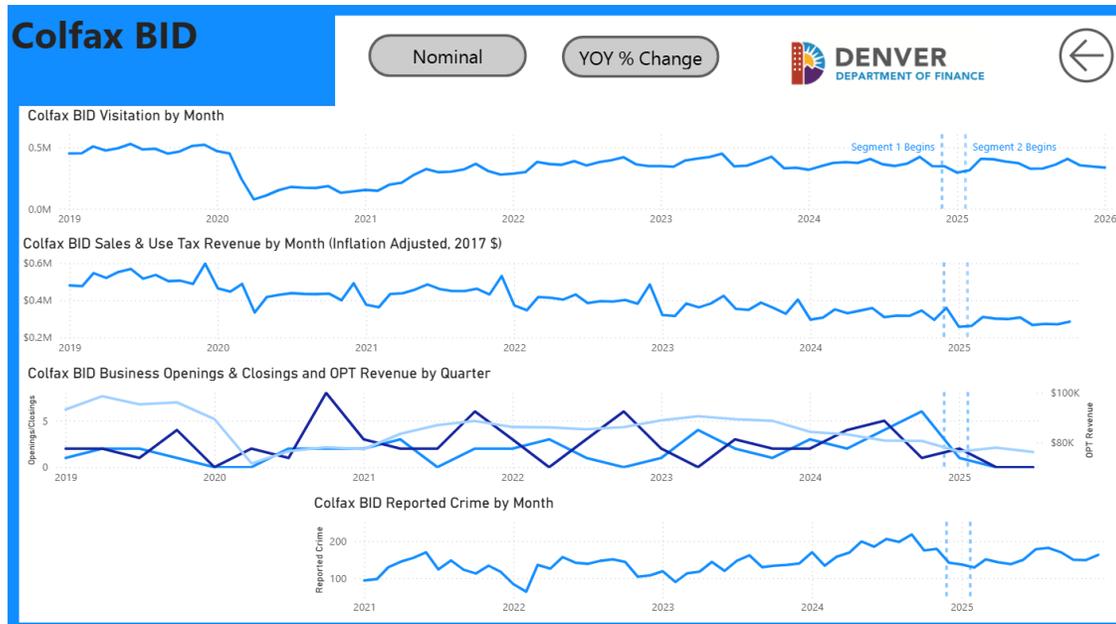
Minneapolis - St Paul, MN

- Forgivable loans to support small business
- Must be located adjacent to the Central Corridor Light Rail Transit project
- Funds must be used for business related expense
- Loan must be repaid in full on sale of business or if it relocates outside the corridor
- Program is funded at \$4 million and loans are up to \$10,000 per business

Background – Colfax BRT Dashboard

Visualizes the following data over time:

- Sales and Use tax revenue
- Openings and Closings
- OPT Revenue
- Crime



Colfax BRT Dashboard

Months Included

January 2019

January 2026

Definitions & Notes



Colfax BID

Bluebird BID

Mayfair BID



For BID Districts:

- Colfax BID
- Bluebird BID
- Mayfair BID

Eligibility Criteria

These tools support small businesses which are directly impacted by a city initiated horizontal construction project. Specifically, a business would have to:

- Be a retail or service business that requires customer foot traffic for operations
- Be located within the program area of a city-funded construction project
- Have an annual gross revenue between thirty thousand dollars and five million dollars
- Demonstrate ten percent or greater revenue decline using a minimum thirty-day consecutive revenue period comparing pre and during construction revenues

Proposed Changes – Option #1

Proposal:

- Establish the Business Impact Opportunity (BIO) Program in ordinance
- Ordinance would dedicate 1% or 1/2% of the total project cost to business support through the BIO Fund.

Considerations:

- More research needs to be done on what the right % amount would be
- The public art ordinance relates to capital dollars and the BIO Fund relates to operational dollars
- The capital stacks of these horizontal infrastructure projects often include funding that cannot be used for operational costs (Federal Grants, Bond Dollars, etc.)

Proposed Changes – Option #2

Proposal:

- Establish the Business Impact Opportunity Program in ordinance
- Allow DOF to remit sales tax, occupational privilege tax, and business property tax during the time the businesses are impacted
- Establish a revolving large loan fund

Business Impact Opportunity Program Grants

Proposal:

- Establish the Business Impact Opportunity (BIO) Program in ordinance

Considerations:

- This grant program would ensure the existing BIO Fund continues to operate
- Provides immediate relief to businesses impacted by city initiated horizontal construction projects
- Grant money is a relatively low amount so the impact isn't as great as businesses need it to be
- Unclear what the right funding source is for the grants

Tax Rebates

Proposal:

- Allow Department of Finance (DOF) to rebate a business's sales, occupational privilege, and business property taxes

Considerations:

- Adds a new tool for the city to support impacted businesses
- Can be utilized alongside and in addition to grants and loans
- There would be a cost to the General Fund
- Would have to be rebated under TABOR

Revolving Loan Fund

Proposal:

- Enable DEDO to operate a large sum revolving loan fund

Considerations:

- Adds a new tool for the city to support impacted businesses
- Has a greater potential to fully cover a business's needs
- Allows businesses maximum flexibility to spread construction impacts out over the long run
- Can be utilized alongside and in addition to rebates and grants
- More research would be needed regarding funding thresholds and source

Considerations for Council Members

- Should Denver continue the BIO Fund at all?
- Should the BIO fund have a dedicated funding source such as requiring 1% of project costs be earmarked for the program?
- Should this be a Special Revenue Fund so it rolls over year to year?
- Should Denver rebate taxes for the time a business is impacted?
- Should Denver establish a large sum revolving loan fund?
- Should these costs come out of the general fund?
- If not from the General Fund, what funding sources would Council recommend?

Timeline

- 2024 – Council adopts a budget amendment to support the BIO Fund on Colfax, and members meet with DOF to understand funding options moving forward
- October 2025 - February 2026 – Drafting & Stakeholder Meetings
- March 9, 2026 – Budget and Policy Committee Presentation
- March 2026 – Drafting & Stakeholder Meetings
- April 2026 – Councilmember Briefings
- April 2026 – Finance and Business Committee
- May 2026 – City Council

Questions?