

A woman with long brown hair, wearing a grey cardigan over a black t-shirt, stands in a store filled with cowboy boots. She is holding several cowboy boots in front of her. The store has shelves in the background displaying more boots and other items.

ARPA Business Impact Opportunity Fund Program

16th Street Mall Construction Small Business Support Program

April 13, 2022



DENVER
ECONOMIC DEVELOPMENT
& OPPORTUNITY

AGENDA

- Business Impact Opportunity (BIO) Fund – ARPA Contract
- 16th Street Mall Construction Small Business Stabilization Support – General Fund Contract
- Coming Soon – ARPA Downtown Support and NEST Neighborhood Interventions and Supports
- Q&A

Business Impact Opportunity Fund (BIO Fund) - ARPA

- **Contract:** Mile High United Way
- **Term:** 2022 – 2024
- **Amount:** \$5,000,000
- **Service:** MHUW will disburse cash grants to qualifying small businesses and provide technical assistance via community partners



What challenges are we seeking to address through this program?

Business Displacement

Businesses at imminent risk of displacement, with priority given to NEST neighborhoods, Enterprise Zone neighborhoods & legacy businesses

Construction Mitigation

Business with limited readiness for impacts and revenue loss resulting from public construction impacts

Operating Challenges

Operating challenges that prevent a small business from withstanding economic shocks and/or building capacity

Community Activation and Safety

Safety concern & space activation with priority to DPD-identified hot spots, areas with high vacancies, or significant service gaps

How were these challenges created or exacerbated by the COVID-19 pandemic?

Business Displacement

- ✓ Loss of revenue due to COVID impacting ability to pay rent, maintain facilities, cover other fixed operational expenditures
- ✓ Depletion of cash reserves

Construction Mitigation

- ✓ Impacts of public construction projects and subsequent revenue loss already diminished by pandemic revenue losses

Operating Challenges

- ✓ Depletion of cash reserves
- ✓ Loss of customers and longer-term changes to consumer behaviors
- ✓ Continued supply chain challenges, staffing issues, and business disruption

Community Activation and Safety

- ✓ Increased vacancies due to business closures
- ✓ Site decline and creation of conditions of blight due to prolonged mandatory business closures or reduced operating hours; deactivation of commercial corridors

BIO Fund – ARPA

Financial Assistance

- **Grants of up to \$15,000**
 - **Stabilization Grants:** mitigate specific operating challenges exacerbated by the pandemic, such as depletion of cash reserves, loss of customers due to COVID precautions, continued supply chain and staffing issues.
 - **Activation Grants:** Establish/renew leases in areas where business closures (resulting from the pandemic) have produced vacancies, service gaps and blighted commercial corridors. Also included is financial assistance for eligible expenses, such as security measures and equipment to provide building and surrounding security.
 - **Anti-Displacement Grants:** alleviate revenue losses resulting from publicly funded construction projects or partial relocation assistance in cases where a business has no option but to relocate as a result of impending new development.

BIO Fund – ARPA

Technical Assistance (T-A)

Committed to providing more than cash grants, the program has strong T-A components:

- ✓ 12% of program budget with emphasis on business capacity-building to withstand future economic shocks.
- ✓ T-A Provided: lease negotiations & eviction prevention, financial assistance readiness, safety measures, and managing business disruptions such as construction, pandemics, etc.
- ✓ Assistance with completing the application and navigation services to ensure the most vulnerable businesses can access this resource.

BIO Fund - ARPA

Eligibility

Geography or Industry

- Business is located in the pre-qualified areas as identified on a map created for City ARPA programs. This new map is based on a modification of the Denver Opportunity Index map **OR**
- Business is in the travel, tourism, or hospitality sectors **OR**
- If business is not in the travel, tourism or hospitality sectors, its affiliated industry can demonstrate at least 8% employment loss from pre-pandemic levels.

BIO Fund - ARPA

Eligibility, *continued*

- Additional eligibility criteria as well as program priorities will be developed with MHUW regarding business size, physical business location, specific vulnerability factors, and legacy business characteristics.

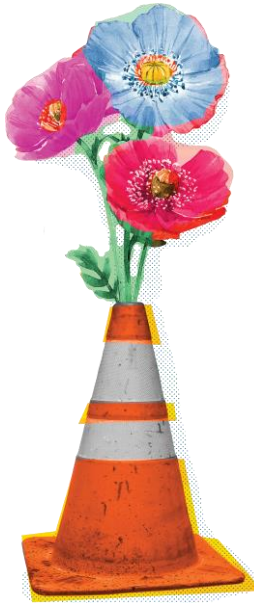
Businesses that apply for the stabilization grant will undergo a financial review to demonstrate COVID-related revenue loss to meet eligibility for financial assistance.

Program is anticipated to support **250-300 businesses**

16TH ST MALL PROJECT

Small Business Support

- **Contract:** with Downtown Denver Partnership (DDP)
- **Service:** DDP will deliver a program including grants and other business support to small businesses most directly impacted by the mall construction project.
- **Term:** 2022 – 2025
- **Amount:** \$3,000,000
- DEDO & DDP worked together on program design elements.





16TH STREET MALL PROJECT

Small Business Support

Eligibility Criteria

- **Industry:** NAICS code-based Restaurants, Retail, Hospitality, Personal Care Services
- Less than \$5M in annual revenue
- No employment cap
- Geographic limits aligned with the 16th Street Mall Active Construction Zone (ACZ)
- Support will include an early-stage \$2,000 mitigation grant and a later-stage stabilization grant, up to \$15,000, to eligible businesses demonstrating a revenue loss.



16TH ST MALL PROJECT

Small Business Support

Other Supports

- Program includes an 8-page toolkit with tips and tools to prepare for and thrive in the construction zone.
- Toolkit includes a self-assessment for businesses to ascertain construction-readiness.
- Businesses needing additional resources will be referred to complimentary business advisors and supports.



16TH ST MALL PROJECT

Small Business Support

Patio Tables/Chairs/Railings (TCR)

- Eligible businesses will be considered for need-based assistance to remove patio fixtures (TCR) in the public Right-Of-Way of the Active Construction Zone.
- This budget line-item is capped at 6% of program funds to ensure maximum funds are available for business grants.

Coming Soon – April/May

Downtown Activation – ARPA ~\$2M

- **Proposed Partner:** Downtown Denver Partnership
- **Service Buckets:**
 - Retail Activation – Short and Long Term
 - Entertainment Activation
 - Entrepreneurship Activation

Coming Soon- April/May/June

Neighborhood Interventions & Supports – ARPA \$2.6M

Program: NEST Neighborhood Activation Grants, \$2M

Proposed Partner: TBD

Service Buckets:

- Activation in NEST neighborhoods to include events, meetings, forums, etc. to engage and drive potential clients to neighborhood organizations and/or services

Program: Small Business Program Outreach & Technical Assistance, \$600K

Proposed Partner: TBD

Service Buckets:

- Outreach efforts to Denver's hardest to reach communities using community navigators who will provide one-on-one support for small businesses



We kindly request your support as we move Resolution 22-0403 and Resolution 22-0404 through the City Council process. This investment on Denver's part will have a positive and compounding impact on our community.

