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Going above and beyond PPP loans

Some very innovative ideas took form and will continue into the fall in one Colorado town

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The Paycheck Protection Program (PPP) has provided important and much needed financial support to businesses challenged by the financial impact of COVID-19 but that is not all that businesses need to adapt and recover. It's with

these potential shortcomings in mind that economic development teams around the state have stepped-up with local political and business leaders to find creative ways to do more.

In Castle Rock, a town with approximately 2,500 businesses that employ approximately 25,000 people, it became a priority for local leaders to find ways to help sustain the town's businesses and overall economy. As a result, some very innovative ideas took form and have been successfully implemented through the summer months and will continue into the fall.

Here is some of what is working:

Streamlining Regulation

By slashing and streamlining regulations, small businesses and their customers have been provided with a reprieve. Led by the Castle Rock Downtown Alliance and Town of Castle Rock, it started with dedicated parking spaces for downtown restaurants and then evolved into permit waiving measures for expanded outdoor restaurant seating. Additionally, the Town Council gave the option to waive liquor restrictions for designated areas and the Downtown Alliance strategically scattered outdoor seating throughout downtown to give grab and go diners more options.

KIVA Loan Support

The Castle Rock EDC has discovered ways to connect the 0% interest KIVA Loan Program with local businesses as a source of added financial support. The connection to the program provides local businesses with the ability to meet KIVA's threshold of attracting their own investors, and after doing so are provided access to the larger KIVA platform of international investors. This support has enabled local businesses to introduce their unique ventures to potential backers who would like to participate financially. Bringing programs such as this to local businesses has been another source of financial support to Castle Rock businesses. To date the KIVA Loan Program has impacted 16 Castle Rock businesses injecting over \$146,000 of loan assistance to Castle Rock businesses.

Small Business Grant Program

In April, the Small Business Grant Program was launched and provided critical rapid access to 94 Castle Rock businesses awarding grants between \$500 and \$5,000. The Town received over 200 applications for the program. The aim of the program is to reimburse small businesses a portion of the expenses they incurred as they adjusted and

adapted to public health restrictions and continued to serve the community while complying with COVID-19 public health order guidelines. As a result, approximately \$267,000 was allocated to small businesses and helped to keep businesses afloat.

Zero Percent Interest Loans

In late June, the Castle Rock EDC partnered with the Town of Castle Rock, FirstTier Bank and Colorado Lending Source to launch the FirstTier CommUNITY Loan Program that provides zero-interest loans of as much as \$25,000 to businesses in town affected by COVID-19 and associated restrictions. Town officials put forward \$400,000 as potential payments in the event that businesses default on loans — a move that lets lenders consider businesses that otherwise may not have qualified and that still allows the town to get repaid as loan amounts come back into lenders. The loans can help specialty shops ramp up production of more timely and useful products, help offices get the technology that will allow more workers to operate remotely or can help restaurants that need to build out patios or change their interior space to achieve social distancing.

Marketing Support

In addition to financial resources, small businesses in Castle Rock have also found support from creative marketing ideas being contributed by the Town. For example, the first ever Downtown Castle Rock Burger Week will take place September 27 – October 4 as a way to give residents and visitors some new off-menu dining options in Downtown and support small businesses at the same time. Additional support has come in the form of blogs highlighting a variety of Castle Rock businesses, a “Ducky Derby” where thousands of rubber and plastic ducks are raced down Plum Creek and attracts scores of shoppers, and ideas about how small business owners can attract customers to their stores.

The economic impacts of COVID-19 on our local economy won't just be felt in the short term, the impact will be felt long term. Researching existing opportunities or creating new ones for local business owners is a responsibility for both the public and private sectors. Castle Rock is doing all it can to be a leader in this effort.



Frank Gray is the President & CEO of the Castle Rock Economic Development Council.