

Second round of CDBG-DR Recover Colorado grants and loans for businesses announced

Second round includes significant changes

Applications for the second round of funding for the Recover Colorado Business Grant and Loan program are now available. The U.S. Department of Housing and Urban Development (HUD) announced it approved Colorado's Community Development Block Grant - Disaster Recovery (CDBG-DR) Substantial Amendment to the Action Plan which outlines how Colorado will distribute \$199.3 million in grant dollars received from HUD for flood and fire recovery programs. This allocation supplements an initial \$62.8 million in grant dollars received from HUD for Colorado flood recovery programs. The second allocation supplements existing grant programs and has allowed for the expansion of programs in response to public input regarding unmet needs.

Funding awarded will go toward needs not addressed through other sources of public and private assistance such as the Federal Emergency Management Agency and Small Business Administration. With acceptance of this disaster action plan, the long-term and sustainable disaster recovery can continue.

This grants support recovery efforts in 18 Presidentially declared flood-impacted counties, with a majority of the funds going to the most impacted counties: Boulder, Larimer and Weld. Programs will focus on housing, public infrastructure, long-term planning and economic development and, as stipulated by the grant, 50 percent of the funds will be distributed to low- and moderate-income households.

Below are changes and process improvements that have been made for the second round of Recover Colorado Grants and Loans:

New counties eligible for awards: Businesses impacted from FEMA-declared fire disasters in 2012-2013 in the following counties are now eligible:

- El Paso County, Black Forest (June 2013)
- Fremont County, Royal Gorge (June 2013)
- Larimer County, High Park (June 2012)
- Teller and El Paso Counties, Waldo Canyon (June/July 2012)

The following flood impacted counties continue to be eligible for awards: Adams, Arapahoe, Boulder, Clear Creek, Crowley, Denver, El Paso, Fremont, Gilpin, Jefferson, Lake, Larimer, Lincoln, Logan, Morgan, Sedgwick, Washington and Weld

Minimum annual eligible revenue requirement lowered: The minimum annual revenue eligibility requirement has been lowered to \$15,000 per year for all businesses. This lower requirement will be retroactively applied to all applicants, including existing applicants from the first round.

Requirement that businesses apply for other forms of assistance eliminated: Some businesses are only now realizing the full long-term economic impact of these disasters.

To facilitate assistance for these businesses, the requirement that businesses have applied for other forms of assistance before applying for CDBG-DR funds has been eliminated. The elimination of this requirement will be retroactively applied to all applicants, including existing applicants still being processed from the first round.

Shorter award delivery times: Rules, requirements, applications and the entire process has been clarified and improved. Future flood and fire recovery applicants who submit complete and accurate information and documentation in a timely basis throughout the application process can expect to receive their reimbursement grant check within six to eight weeks of initial application.

New businesses or non-profits eligible for awards: New businesses or non-profits may be determined to be eligible if they provide goods or services vital to the long-term economic viability of heavily impacted communities and create new jobs in the community. These goods and services can be either directly related to meeting a recovery need of the community or could be of indirect benefit by contributing to the economic diversity and resiliency of the area.

Application period extended through July 31, 2015: An application for CDBG-DR awards is available at <http://dola.colorado.gov/cdbg-dr/content/businesses-eligibility-process>. The Small Business Development Centers (SBDC) will continue to assist applicants in providing required follow-up documentation.

To date, the state has budgeted approximately \$17.4 million of CDBG-DR funds in the first and second allocation to provide grants and loans to businesses in impacted counties that suffered substantial economic harm. A minimum of 80 percent of the funds awarded are targeted to the three most impacted counties of Boulder, Weld and Larimer.

Award notices totaling \$2.8 million have been sent to 84 businesses. More than \$14 million in funds are still available for both grants and loans to qualified applicants, and impacted businesses are strongly encouraged to apply for grants and loans as soon as possible because the state has a two-year window to deploy these funds. After mid-year 2015, remaining unspent funds may be reallocated to other urgent disaster recovery needs.

For additional information, please visit http://dola.colorado.gov/cdbg-dr/sites/dola.colorado.gov.cdbg-dr/files/cdbg-dr_docs/colorado-substantial-amendment-number-1-final-11.03.14.pdf and <http://dola.colorado.gov/cdbg-dr/content/recover-colorado-business-grant-and-loan-program>.