



Purpose

The planning and feasibility study grant program is designed to provide funding to determine the feasibility of a business project or to plan for a business project that will be located in Colorado. Such projects will need to meet an economic development objective and, if implemented, will need to create new permanent jobs and/or retain existing jobs primarily for low to moderate income persons.

Eligible Applicant

Generally, this program is offered through Colorado's Business Loan Funds which have opted to make this program available in their service area. A business will need to contact the Business Loan Fund (BLF) that serves the area where the project is or will be located to determine if this option is available in their area and to discuss the funding request. A Business Loan Fund Directors' contact list may be found at www.choosecolorado.com.

Businesses located in the following service areas (entitlement areas) are **NOT** eligible for this program: Adams County (unincorporated areas and Bennett, Broomfield, Brighton, Federal Heights, Northglenn and Thornton), Arapahoe County (unincorporated areas and Bow Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Glendale, Greenwood Village, Littleton, and Sheridan), Douglas County (unincorporated areas and Castle Rock, Larkspur, Lone Tree, and Parker), Jefferson County (unincorporated areas and Arvada, Edgewater, Golden, Lakewood, Mountain View, and Wheat Ridge), Aurora, Boulder, Colorado Springs, Denver, Fort Collins, Grand Junction, Greeley, Lakewood, Longmont, Loveland, Pueblo and Westminster. Additionally, a few of the areas that may be eligible to offer a Business Loan Fund but currently do not do so are Commerce City, Boulder County and Huerfano County.

Funding Source

The funds utilized for this program are federal funds; therefore, there are federal requirements that must be met in addition to state requirements.

Funding Amounts

OEDIT has a total of \$75,000 available on an annual basis to fund such requests.

Application Process

- Continuous application process.
- Prior to submitting a request, the business will need to complete a consultation first with the appropriate BLF Director and then subsequently with the BLF Director and OEDIT Staff.
- An application is required once all consultations have been completed.
- Applications must be substantially complete as determined by OEDIT Staff.
- Final funding decisions are made by the Governor's Financial Review Committee.

Project Components

- Funds should not generally be available from the Colorado Department of Agriculture, the United States Department of Agriculture (Rural Development), and the United States Department of Commerce Economic Development Administration (EDA) or other readily available sources for this type of study. The business will need to contact such sources prior to contacting the BLF Director.
- A business entity shall be identified and be willing to implement the project if determined to be feasible.



- Generally, a maximum CDBG grant of \$20,000 per project will be considered.
- Cash matching funds of \$1:\$1 are required.
- Matching funds shall be in place at the time of application and documented.
- The project, if determined to be feasible, shall result in the creation/retention of at least one new full-time equivalent job per \$20,000 funded—with at least 51% of such jobs filled by persons qualifying as low to moderate income persons.
- Preferable that public discussion will have taken place on the project, including the intent to request feasibility/planning study funding, prior to the submittal of an application.
- A business plan summary, proforma projections and historical and recent financial statements, and credit checks are requirements of the application process, to the extent available, in addition to other necessary information. Other necessary information includes but is not limited to: a description of the planning/feasibility study to be undertaken, a description of the costs involved and use of all funds, projected job creation/retention information (including low to moderate income jobs to be created/retained), and a description of how necessary consultants and others will be identified to complete the study.
- Projects that are **Not** eligible include but are not limited to: projects involving key historic or commercial importance (typically defined as downtown revitalization/improvements) to a community or a neighborhood (since the state’s Consolidated Plan states that the Department of Local Affairs will assist those projects) and projects where a business has not been identified to implement the project if determined to be feasible.
- If approved, the appropriate CDBG required Environmental Review (or CDBG Environmental Exemption documentation) must be submitted and approved.
- Compliance with federal procurement requirements (most likely “small purchase procedures”) and documentation of final costs is required.
- A pro-rata reduction in the CDBG funding percentage shall be required if all matching funds are not needed to complete the study/plan.
- Quarterly Reports are required.
- Funds will be disbursed as costs are incurred or on a reimbursement basis per federal guidelines. Supporting cost documentation must be maintained. Expenses may not be incurred prior to the execution of a contract amendment authorizing the study/plan and prior to the completion of the CDBG Environmental Review.
- The Governor’s Financial Review Committee reserves the right to increase or decrease the amount of requested funding based on its findings and the availability of funds.
- Final terms of approval, including a requirement to submit a copy of the plan or study to OEDIT and which will be considered a public document, will be included in approval documents if approved.

