ECONOMIC DEVELOPMENT INVESTMENT PROGRAM GUIDELINES

Purpose and Intent

The Economic Development Investment Program (EDIP) provides targeted financial assistance to support small business investment and reinvestment projects that contribute to business development and long-term economic vitality within our community. The program is intended to assist projects that deliver meaningful local community and economic benefit but do not meet the requirements of the City's Business Assistance Policy.

Program Structure

The EDIP operates under a flexible assistance model that considers project scale, identified barriers, and anticipated community and economic benefit. Assistance funding may be provided up to $50,000 per project, with total administrative approvals not to exceed $250,000 annually. Funding approval within this structure falls to the City Manager. Any request exceeding the per-project or annual thresholds would require City Council approval.

Eligible Uses

EDIP assistance may be used for business investments that strengthen long-term viability, including but not limited to:

- Facade improvements
- Tenant improvements and interior build-out
- Signage and exterior visibility improvements
- Technical assistance or professional services directly associated with advancing a defined project
- Equipment purchases or other capital investments that support enhanced business operations

Assistance will generally be provided on a reimbursement basis for eligible and documented expenses. Applicants must submit documentation acceptable to the City demonstrating completion of applicable project requirements or eligible expenditures.

Eligibility Requirements

Applicants seeking assistance through the EDIP must meet the following minimum requirements:

- The business must have less than 50 employees.
- The business must be locally owned, locally operated, or primarily serve the local market.
- The business must be clear of liens, liabilities, or other obligations that compromise its financial health.
- The business must be located within City limits and comply with all City regulations including adopted plans, zoning and building regulations, sales tax licensing requirements, and applicable development standards.
- The applicant must demonstrate an identified project barrier and the extent to which City participation could influence the project or its outcomes.
- Requested funds must directly support a defined business investment such as start-up, expansion, relocation within the City, or long-term operational enhancement.
- The applicant must commit to applicable performance and reporting requirements for a defined period consistent with the executed EDIP agreement.
- The applicant must provide financial documentation sufficient for the City to evaluate project feasibility, financial risk, and anticipated community and economic benefit.

Evaluation Criteria

Projects seeking assistance through the Economic Development Investment Program will be evaluated based on the degree to which they advance community and economic development objectives. Considerations may include:

- Completed application submitted through the appropriate channel.
- An identified project barrier and the extent to which public participation influences project feasibility or outcomes.
- Alignment with City economic development priorities, including support for neighborhood-serving retail and reinvestment in existing commercial areas.
- The degree to which the project activates vacant or underutilized commercial space.
- Capital investment and overall scale of the project relative to the requested assistance.
- Contribution to local employment opportunities and wage levels where applicable.
- Enhancement of the built environment through façade improvements, redevelopment, or site upgrades.
- Long-term business viability and operator experience.

- Potential to catalyze additional private investment or support broader district revitalization.

The City may prioritize projects that address identified retail gaps, strengthen neighborhood commercial corridors, activate vacant or underutilized commercial space, or enhance the diversity and resilience of the local business ecosystem.

Documentation Requirements

Documentation requirements will be tailored to the nature and scale of the project and may include:

- Complete application
- Sign W-9
- Valid State of Colorado issued identification
- Certification of Good Standing from the Secretary of State of Colorado
- Current, and compliant, City of Fort Collins Sales Tax License
- Certificate of Occupancy
- Lease agreement or property ownership record
- Landlord approval letter for tenant improvements
- Most recent two years of business tax returns
- Detailed project budget
- List of outstanding debt obligations

Post Award Documentation may include:

- Paid invoices
- Before and after pictures
- Verification of closed permits, where applicable
- Lien releases where applicable

Ongoing Documentation Needs

- Certification of annual City Sales Tax remittance
- Operational or financial reporting associated with applicable performance requirements

Funding Approach

The EDIP will be capitalized through dedicated City appropriations and supplemented by additional funding sources as available. These sources may include allocations from other authorized economic development funding mechanisms approved by City Council.

Program Administration

The Economic Development Investment Program will be administered by the Economic Development Department in coordination with other City departments as necessary. Program administration responsibilities include reviewing applications, evaluating project eligibility, developing funding recommendations, verifying eligible expenses, and monitoring compliance with program requirements and executed agreements.

The City may establish further application procedures, documentation requirements, and administrative guidelines necessary for effective program implementation.

Funding Limits and Risk Controls

All projects receiving assistance must enter into a formal agreement with the City outlining performance expectations, reporting requirements, and operational commitments. Agreements may include audit and repayment provisions, where appropriate, allowing the City to recover funds if program requirements are not met.

The City reserves the right to deny assistance to projects that present excessive financial risk, insufficient documentation, or limited community benefit.

Success Metrics

Success metrics are two-sided: project outcomes and the success of the City's investment. Project outcomes will be measured against the performance expectations established in the applicable EDIP agreement.

City investment success will be evaluated based on the community and economic benefits achieved relative to the level of public participation. Recognizing that strategic economic development investment carries some level of risk, the program will also monitor annual and historical default rates, with a target of maintaining an aggregate default rate below 20%.

Annual Reporting

The Economic Development Department will provide Council with an annual report to support continued oversight of the program's performance and sustainability, including how EDIP resources were deployed and the outcomes supported by those investments.