

MEETING DATE: July 14, 2026**ITEM NUMBER:** 12.{{item.number}}**SECOND READING:**

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Informational**PRESENTED BY:**

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SUBJECT/AGENDA TITLE:

Interest revenue from American Rescue Plan Act grant (ARPA)

EXECUTIVE SUMMARY:

At the May 26 Council meeting, Councilmember Crist asked questions about the interest income revenue from the American Rescue Plan Act grant (ARPA) grant during the appropriation of the latest amount (approximately \$21k). She mentioned that there were business grants that had been re-allocated for affordable housing in 2024. Staff found this was part of the Community Development Block Grant Disaster Recovery (CDBG-DR) flood recovery plan, and it had been amended to remove \$200,000 of business grant funding in 2024. Those funds were used for an affordable housing project.

Although this is separate from the ARPA grant, Councilmember Crist was interested in using the interest income from ARPA to restore these grants. Staff calculated the amount of interest revenue that is available from the ARPA grant, which is approximately \$100,000 after staff holds some of the grant funds to finish out projects and accounting for the grant itself.

There is currently \$60,000 allocated for business grants in the External Services budget. Staff from External Services has put together the existing assistance for businesses in this packet, so that Council has the whole picture with regards to business support currently.

COUNCIL OPTIONS:

1. Allocate the \$100,000 to additional business support
2. Allocate the \$100,000 to another program or need
3. Wait until the budget is presented in late August/early September to determine what unfunded requests Council may prioritize
4. Return the \$100,000 to the general fund for one time reallocation as part of the overall revenue available for the 2027 budget

RECOMMENDED OPTIONS:

This is a Council decision. Since this is an informational item, if Council is interested in allocating this funding specifically, please make that motion in a regular session.

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

This is \$100,000 that the Council may allocate, as it is interest from the ARPA grant

BACKGROUND AND ISSUE ANALYSIS:

Safety, Security and Beautification Grant Program

Separately from the consideration of the ARPA interest dollars, the city since at least 2017 has annually budgeted \$60,000 for small business grants that have been used for various programs over the years. In recent years, those grant dollars have been used in a matching capacity for LDDA grants for retail conversion. These dollars have been used as a 2:1 match, with the city providing up to \$7,500 in grants (DDA provides \$15,000) to reimburse retail storefront businesses for converting and upgrading previously non-retail properties in the DDA District. Since the program began in 2013, we have converted 29 spaces, leveraging \$335,000 investment for more than \$16 million of improvements.

There is \$98,935 in carryover dollars that were unspent in prior years, and \$60,000 that was budgeted in 2026. Of that, there is \$72,264 remaining that has not been formally pledged toward DDA projects or contemplated for these projects through conversations with business/building owners. That balance will be shifted to a new program for the whole city, as detailed below.

The City of Longmont's Safety, Security and Beautification Grant Program is set to launch in fall of 2026 and has been designed to encourage businesses and commercial property owners to invest in improvements that enhance the safety, security, and appearance of their properties while creating lasting benefits for the broader community. This matching grant leverages private investment to support projects that strengthen commercial corridors, improve the customer and employee experience, and contribute to a safer, more attractive Longmont.

The program will be available to eligible commercial properties throughout the City of Longmont. While the new program is citywide, outreach and promotion will place a particular emphasis on businesses along the North Main corridor, where targeted investments can support ongoing revitalization efforts, improve public safety, and enhance the overall business environment. This focus will shift as needed.

The program provides reimbursement of up to 25% of eligible project costs, with a maximum grant award of \$10,000, for permanent exterior and security-related improvements. Eligible projects include enhanced lighting, security cameras, alarm systems, doors and windows, parking lot improvements, landscaping, signage, façade enhancements, murals, patios, and

other improvements that incorporate Crime Prevention Through Environmental Design (CPTED) principles.

To ensure projects align with community safety and development goals, applicants will complete a CPTED assessment through the Longmont Police Department and submit a comprehensive application that includes project plans, contractor estimates, supporting documentation, and before photographs. Following project approval, applicants will have six months to begin work and one year to complete the project. Grant reimbursement will be issued upon project completion, inspection, and submission of final documentation.

By encouraging strategic private investment in commercial properties throughout the community, the Safety, Security and Beautification Grant Program supports economic vitality, enhances public safety, strengthens neighborhood commercial corridors, and contributes to the continued revitalization and long-term quality of Longmont's business districts.

ATTACHMENTS:

None