Stimulus Investment Advisory Committee Meeting

September 23, 2021
Agenda

• 2021/2022 ARPA spending overview
• Premium/hazard pay proposal
• Programmatic/investment updates
• Logic Model Review
American Rescue Plan Overview: Eligible Uses

City and County of Denver will receive $308 million in two tranches of $154 million each.

- Public Health expenditures
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue
- Provide premium pay for essential workers
- Invest in water, sewer, and broadband infrastructure
ARPA Overview: Approved & Proposed Allocations

$154 million first tranche of ARPA funds received July 2021

– $153 million allocated or proposed for allocation
  • $46.2 million: Restoration of city services for final 6 months of 2021
    – Approved by City Council in July 2021 and allocated to agencies
  • $25 million: Continues Restoration of city services into 2022, remainder moved to General Fund
  • $73 million: Proposed First Round Recovery Allocation in 2022
  • $8.8 million: Proposed Premium Pay to City Employees in 2021
To ensure our long-term recovery and success, the City is shifting certain ARPA investments back to the General Fund. This allows us to maintain our recovery work and avoid a financial cliff when ARPA funds expire in 2024.

The 2022 Budget proposes:

- $25m of Round 1 ARPA funds will stay in ARPA, pending a companion ordinance by City Council. These funds support:
  - Supplemental services
  - Supplies and materials

- Moving $24M of Round 1 ARPA funds into the General Fund. These funds support:
  - Restoration of permanent positions
ARPA: Premium Pay Proposal

- Payment provided for work performed between March and December 2020
- Premium Pay: $8.8m recommended from ARPA for payments to eligible career service employees
- Hazard Pay: $7.8m recommended from CARES Act Coronavirus Relief Funds for payments to eligible uniformed employees
- Eligibility based on ARPA guidelines:
  - Work required regular in-person interaction and/or regular physical handling of items handled by others
  - Regular = 50% or more
  - Employee must have been required to perform eligible work
Proposed ARPA Recovery Allocations

- Business Recovery: $10.1m
- Community Recovery: $13.3m
- Housing/Homelessness: $43.3m
- Infrastructure Investments: $7m

TOTAL: $73.7M

NEXT STEP: CITY COUNCIL PRESENTATION AND APPROVAL – Q4 2021
Proposed ARPA Recovery Allocations

• Business Recovery: $10.1m
  – Business Impact Opportunity Grants ($5m)
  – Entrepreneurship Support ($2m)
  – Downtown Support – Seasonal Activation, Tourism Activation, Vacant Retail Activation ($2.5m)
  – Small Business Program Outreach/Technical Assistance ($600k)

• Community Recovery: $13.3m
  – Mental & Physical Health investments ($1.8m)
  – Food Access ($1m)
  – Arts & Culture ($1.2m)
  – Neighborhood Activation Grants ($2m)
  – Code Violation Remediation ($1m)
  – Nonprofit loan fund ($250k)
  – Financial equity study ($35k)
  – Youth/Out of School Time ($1.8m)
  – Childcare Investments ($1.425m)
  – Digital Equity investments ($1.15m)
  – Community Safety Grants ($1.5m)*

*City council received a request for $55m of ARPA funds for Reimagining Safety Investments.
Proposed ARPA Recovery Allocations, cont.

• **Housing and People Experiencing Homelessness Investments - $43.3m**
  - Affordable Housing Fund infusion ($28m)
  - Alternatives to Shelter (ex. Safe Outdoor Spaces) ($4.3m)
  - 47th Ave Shelter Expansion ($7.47m)
  - Rapid Resolution/Rehousing ($2m)
  - Housing Stability Rental Vouchers ($1.5m)

• **Infrastructure Investments - $7m**
  - Recreation Center Life/Safety Improvements ($3.5m)
  - Shelter 24hr resiliency renovations ($3.5m)
Promoting Equitable Outcomes

• Must incorporate an overall equity strategy, addressing:
  – **Goals**: are there certain groups these funds will serve?
  – **Awareness**: how practical is it for groups to be aware of services that are made available with these funds?
  – **Access and Distribution**: are there difference in access or undue administrative burdens to access programs?
  – **Outcomes**: are we trying to close gaps or harmonize outcomes across different groups?

• Must also describe geographic and demographic distribution of funds
The following slides highlight a sample of individual investments along with output and outcome measures from the logic model agencies have worked on.
Business Impact Opportunity Grants

Lead Department: DEDO

Explanation

• Supports all the small business and neighborhood supportive programs related to economic recovery efforts - including small business impact, neighborhood activations, business improvements, and other potential grants for business activity (e.g., mitigating safety concerns).

Equity Considerations

• Prioritization on MWBE, historically marginalized & NEST neighborhoods.

Anticipated Outputs: Number of businesses served and award amount; business location; business industry; Covid-19 impact

Anticipated Outcomes: Economic viability/stability of businesses with a focus on MWBEs, new business, & BIPOC in targeted neighborhoods. A strong, inclusive & equitable economic recovery.

Recommended Investment: $5,000,000
Entrepreneurship Center

Lead Department: DEDO

Explanation

• Supports the purchase of a facility in an underserved area from which entrepreneurship services can be provided.

Equity Considerations

• Prioritize serving historically marginalized populations, NEST neighborhoods

Anticipated Outputs: Number of entrepreneurs served; technical support or funds provided; entrepreneurs demographics (prioritize by income and impact from covid); location

Anticipated Outcomes: Develop entrepreneurs into new businesses in Denver amongst women, BIPOC, and targeted neighborhoods. A strong, inclusive & equitable economic recovery.

Recommended Investment: $2,000,000
Food Resiliency Grants

Lead Department: DDPHE

Explanation
• Funds would be issued to qualifying organizations which focus on improving infrastructure, operations, and food systems to address the long-term impacts of Covid-19 on the community’s food network.

Equity Considerations
• An output measure is the # of services provided by type and provider by targeted community

Anticipated Outputs: # of meals or grocery boxes provided in low food access neighborhoods or populations; $ spent on meals or grocery boxes by provider by targeted community served; # of resiliency projects

Anticipated Outcomes: community readiness to food emergencies; increase access to affordable, quality, culturally appropriate food; Enable healthy communities which thrive, and where people are connected, supported, safe, and well.

Recommended Investment: $1,000,000
Affordable Housing Fund Match

Lead Department: HOST

Explanation
• Provides a one-time surge in resources to match the affordable housing fund for two years to support housing development and preservation.

Equity Considerations
• % homeownership; recent cost as % of income, % of population that is homeless, % of applicants securing affordable housing, foreclosure & eviction rate can all be disaggregated by race/ethnicity and/or neighborhood

Anticipated Outputs: # of affordable units preserved or developed

Anticipated Outcomes: decrease barriers impacting access to behavioral health services; decrease gaps in workforce limitations for prevention services; strengthen housing stability resources and investments in the community; Enable healthy communities which thrive, and where people are connected, supported, safe, and well.

Recommended Investment: $28,000,000
Example of a clear, well-formatted text representation:

**Childcare & Family, Friend & Neighbor Center Recovery**

**Lead Department:** Children’s Affairs

**Explanation**
- Supports childcare providers & family, friend and neighbor (FFN) to meet growing childcare needs.

**Equity Considerations**
- Target neighborhoods include Far Northeast, Southwest Denver, Globeville and Elyria/Swansea (GES) and East Colfax.

**Anticipated Outputs:** Train 120 FFN providers; providers by target neighborhoods; # of children cared for

**Anticipated Outcomes:** Improve and expand access and utilization to high-quality, affordable childcare services; FFN providers who support the Early Childhood Education pipeline. Enable healthy communities which thrive, and where people are connected, supported, safe, and well.

**Recommended Investment:** $1,425,000
Next Steps

• 10/5 – Finance Committee – PHO & Premium Program
  – 10/25 – 2nd Reading
• 10/12 – Finance Committee – ARPA Recovery Investment Program
  – 11/1 – 2nd Reading
• 11/10 – SIAC Committee Meeting
  – Ballot measure update
  – Round 1 - Investment update
  – Initial discussions on Recovery Round 2