



# 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

# Financial Sustainability Strategy

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)
  - 47<sup>th</sup> 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.

Recommended Investment: \$5,000,000

**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.

# 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

Recommended Investment: \$2,000,000

**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.

# 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

# 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 – 2<sup>nd</sup> Reading
- 10/12 – Finance Committee – ARPA Recovery Investment Program
  - 11/1 – 2<sup>nd</sup> Reading
- 11/10 – SIAC Committee Meeting
  - Ballot measure update
  - Round 1 - Investment update
  - Initial discussions on Recovery Round 2