Funding Denver’s Recovery

RISE Denver: From Rescue, To Economic Recovery

Budget and Policy Committee
May 20, 2021
Overview

• Stimulus Funding Overview
• ARPA Award & Guidance Update
• Community Engagement Plan
• Community, Business, Infrastructure Overview (Don Mares)
• Next Steps
• Questions
Denver’s Economic Stimulus Funding Overview
Denver’s Recovery Funds

• Mix of federal, state, local sources

• Funding specific guidelines, timelines
Sources of Denver’s Recovery Funds

American Rescue Plan: $308M Local Aid

- $308M over two years
  - Half in 2021, Half in 2022
- Council and Agency Proposals submitted to DOF in April
- Service restoration proposals under review at DOF
- Service restoration proposals announced in May/June
- Community feedback on Economic Recovery thru early June
- Stimulus Investment Advisory Committee recommendations to the Mayor in June
- Announcements in June and July
Sources of Denver’s Recovery Funds

- Up to $400M General Obligation (GO) Bond
- Focus on existing, shovel ready city capital projects.
- Community feedback on Infrastructure Economic Recovery through early June
- GO bond committee to make recommendations to Mayor
- Council process, referral to ballot by August
Sources of Denver’s Recovery Funds

Proposed

American Jobs Plan & American Families Plan

- Proposals build on American Rescue Plan
- White House proposal released
- Negotiation ongoing
- Amount of funds and eligible projects TBD
- Congressional action expected in summer

American Families Plan
- White House proposal released
- Focus on investment in children and families
- Includes items like: child care, paid leave, education, pre-school, nutrition, tax cuts
- Congressional action, timing uncertain
Sources of Denver’s Recovery Funds

State & City Funding

• SFY 2021/2022 Budget signed by Governor Polis on May 17
• Includes $800M Economic Stimulus
  – Funding designated to:
    • Strengthen small businesses
    • Revitalize our infrastructure
    • Support children and families
    • Invest in rural Colorado
    • Develop our workforce
• Additional State recovery funding may be available
• City recovery funding from General Fund unlikely due to service restoration
Sources of Denver’s Recovery Funds

FEMA & Coronavirus Relief Funds (CARES Act)

- FEMA reimburses eligible emergency response expenses
- Available as long as a presidentially declared disaster is in effect
- Coronavirus Relief Funds (CRF) support response to and recovery from COVID-19 pandemic
- Deadline to expend CRF funds extended to 12/31/2021
American Rescue Plan
Award and Guidance Update
ARPA Overview

• American Rescue Plan Act of 2021 passed by Congress in March
• Aimed at mitigating the continuing effects of the pandemic
• Builds upon previously enacted aid measures in 2020:
  – The year-end spending and aid package
  – The Coronavirus Aid, Relief, and Economic Security (CARES) Act
  – The Families First Coronavirus Response Act (FFCRA)
American Rescue Plan Overview

- Individual Relief, $847.50
- Government Fiscal Relief, $325.50
- Education & Workforce, $178.60
- Business Relief, $112.90
- Pension Relief, $86
- Healthcare, $98.80
- Transportation Relief, $40.30
- Housing & Utility Assistance, $47.10
- Infrastructure, $10
- Technology Modernization, $7.90
- Public Hiring, $1
- Disaster Relief, $60.90
- Economic & Small Business Development, $13.70
- Hunger Relief, $8

$ represented in millions
American Rescue Plan Act - Local Relief Funds

- $308M for City and County of Denver
  - Half Awarded in 2021
  - Half Awarded in 2022
- Guidance from U.S. Treasury released May 10
  - Outlines specific uses and timelines for funds
Other Stimulus Funds

In addition to ARP Act Local Aid, other allocations will be made to city agencies, the State, and regional partners.

Housing & Support for People Experiencing Homelessness
- Rental & utility assistance
- Mortgage assistance
- Homeless assistance, supportive services, acquisition/development of non-congregate housing

Community Investments
- Head Start
- 15% increase to monthly SNAP
- Child care stabilization grants
- Internet connectivity grants for libraries
- Nutrition programs for older adults

Additional Recipients
- Denver Public Schools
- Denver Water
- RTD

Public Health
- Vaccine distribution
- Testing and tracing
- Funding for 100K Public Health workers
- Substance abuse and mental health

Economic Recovery
- Additional Paycheck Protection Program funding
- Dedicated grant program for restaurants
- Shuttered venues support
- Funding for airports and airport concessionaires
- Community navigators to connect socially and economically disadvantaged business to resources

https://www.acceleratorforamerica.org/federal-investment-guide
American Rescue Plan Eligible Uses

- 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
Support public health expenditures

- Services and programs to contain and mitigate the spread of COVID-19

- Services to address behavioral healthcare needs exacerbated by the pandemic

- Payroll and covered benefits expenses
Address negative economic impacts caused by public health emergency

**Assistance to workers and families**
- Aid to unemployed workers
- Job training
- Aid to households facing food, housing, or other financial insecurity

**Support for small businesses**
- Help to address financial challenges caused by the pandemic
- Investments in COVID-19 prevention and mitigation tactics
- Technical assistance

**Speed tourism, travel, hospitality recovery**
- Support for industries hit particularly hard by the COVID-19 emergency that are just beginning to mend.
- Similarly impacted sectors within a local area are also eligible for support

**Rebuild public sector capacity**
- Rehire staff and replenish unemployment insurance trust funds up to pre-pandemic levels
- Build internal capacity to implement economic relief by investing in:
  - data analysis
  - targeted outreach
  - technology
  - infrastructure
  - impact evaluations
Serve the hardest-hit communities and families

Address health disparities, social determinants of health

Funding for:
- Community health workers
- Public benefits navigators
- Lead hazard remediation
- Community violence intervention

Housing and neighborhood Investments

- Services to support people experiencing homelessness
- Affordable housing development
- Housing vouchers
- Residential counseling and housing navigation assistance to facilitate moves to neighborhoods with high economic opportunity

Addressing educational disparities

- New or expanded early learning services
- Additional resources for high-poverty school districts
- Educational services like tutoring or afterschool programs
- Services to address social, emotional, and mental health needs

Promote healthy childhood environments

- New or expanded high quality child care
- Home visiting programs for families with young children
- Enhanced services for child welfare-involved families and foster youth
Premium Pay

• Broad latitude to designate critical infrastructure sectors and make grants to third-party employers to provide premium pay or respond to needs of essential workers.

• Allows compensation to essential workers for the elevated health risks they faced/faces during the public health emergency.

• To ensure premium pay is targeted to workers who faced/faces heightened risks due to the character of their work:
  o work involving regular in-person interactions
  o regular physical handling of items also handled by others.

• Any premium pay or grants provided using the Fiscal Recovery Funds should prioritize compensation to lower income eligible essential workers
Replace lost public sector revenue

- Funds to continue providing valuable public services and ensure fiscal austerity measures do not hamper the broader economic recovery.
- Funds may be used to replace lost revenue.
  - Each recipient can use Treasury Interim Final Rule to calculate its reduction in revenue.
  - Specifically, recipients will compute the extent of their reduction in revenue by comparing their actual revenue to an alternative representing what could have been expected to occur in the absence of the pandemic.
- Importantly, once a shortfall in revenue is identified, recipients will have broad latitude to use this funding to support government services, up to this amount of lost revenue.
Water, Sewer, and Broadband Infrastructure

**Broadband**
- Building broadband infrastructure that delivers services offering reliable 100 Mbps download and 100 Mbps upload speeds
- Assistance to households to support internet access or digital literacy

**Drinking Water**
- Building or upgrading facilities and transmission, distribution, and storage systems
- Includes replacement of lead service lines

**Wastewater**
- Constructing publicly-owned treatment infrastructure
- Managing and treating stormwater or subsurface drainage water
- Facilitating water reuse
- Securing publicly-owned treatment works
• Capital investment must be tied to specific pandemic public need or a specific negative economic impact.

• Allowance for maintenance/pay-go infrastructure under definition of “governmental services” only if tied to revenue loss:
  – Amount above the revenue loss calculation allocation cannot be used for general infrastructure investment.

• General infrastructure spending is not covered as an eligible use outside of water, sewer, broadband and revenue recovery.

• Specific criteria provided for water, sewer, broadband projects.
Ineligible Uses

- Pension Contributions
- Debt service payments
- Tax rate reductions
Community Engagement Plan
$700 million investment toward recovery

Federal, state, and local stimulus dollars will build back our economy to work for everyone.
Inclusive Engagement Process

Partnerships:

• Collaboration between multiple city agencies
• Close coordination with the Office of Social Equity and Innovation
• Close coordination with the city's language access coordinator
• Consulting services through the People Lab at UC Berkeley

Engagement Tactics:

• Digital engagement software:
  o Quick polls, surveys, and open forums
  o Informational and educational material
  o Contracted telephone town hall facilitation
  o 20k dial-outs per call to households in historically marginalized neighborhoods
  o Live polling and resident feedback through texts and callers
  o Translation and interpretation in Spanish, Vietnamese, and Amharic, ASL

• Promotional mailer
  o Mailer to 25k households in NEST neighborhoods
  o QR code linking to the engagement site
  o Flyers
Launching Digital Engagement Hub

www.RiseTogetherDenver.org

Central location to collect resident feedback and encourage discussion on community, business, and infrastructure investments
Community Recovery Overview

• The pandemic brought us all concerns about our health and that of our families.
• A large portion of our community was disproportionally impacted.
• Many were faced with additional struggles:
  o Child care
  o Food access
  o Health care and mental health resources access
  o Housing
  o Transportation
  o And other challenges
Vision

• Enable healthy communities which thrive, and where people are connected, supported, safe, and well.

• In order to support our city’s recovery and to reach this vision, we would like to know the ways the economic downturn has affected the community, and their livelihoods.

• How can we, as a city, best spend funds to address the widespread effects of the pandemic on community members and their families?

How should we prioritize community recovery areas?
Key focus areas that support business recovery

Strengthen small business & nonprofit growth and resiliency

Revitalize Denver's neighborhoods through targeted support and placemaking

Bring back and enhance lost jobs. Create new jobs

Accelerate Public Investment

Make it easier to do business with Denver
How should we prioritize infrastructure investments?

- Improving community and city buildings
- Building safe and accessible streets, sidewalks, bike lanes and transportation systems

- Expanding and enhancing the parks and recreation system

- Enhancing cultural buildings like venues, museums, theaters and more

- Improving spaces to serve people experiencing homelessness and promote public health
- Addressing climate change and supporting the environment
Stimulus Investment Advisory Committee

• Convene a group of community, non-profit, business representatives to advise the city on the allocation of ARPA funds and other future federal funds.

• Staff will utilize feedback to develop options and ideas for Stimulus Investment Advisory Committee review and advisement.

• Committee will calibrate ideas based on feedback from community, businesses, city agencies, and City Council.
Stimulus Investment Advisory Committee Structure

- Stimulus Advisory Committee
  - Exec. Committee

- GO Bond Executive Committee

- Staffing: DOF, DEDO and DHS

- Business Recovery
- Community, Neigh, Individual Recovery
- Infrastructure (GO, American Jobs)
- Partners

Public and Business Outreach

Not for service restoration selection
Join the conversation!

Take surveys online at www.risetogetherdenver.org
Use a computer, smart phone or tablet to offer feedback and discuss your priorities.

Attend a Telephone Town Hall

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<thead>
<tr>
<th>Date</th>
<th>Time</th>
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<tbody>
<tr>
<td>Wednesday, May 26</td>
<td>9-10:30 a.m.</td>
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<tr>
<td>Thursday, June 3</td>
<td>6:30-8 p.m.</td>
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<tr>
<td>Saturday, June 5</td>
<td>9-10:30 a.m.</td>
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<tr>
<td>Sunday, June 6</td>
<td>11 a.m.-12:30 p.m.</td>
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Help spread the word!
Share the website link through newsletters and social media and encourage residents to register for a telephone town hall meeting today.
Questions?