

CITY AND COUNTY OF DENVER RECOVERY PLAN

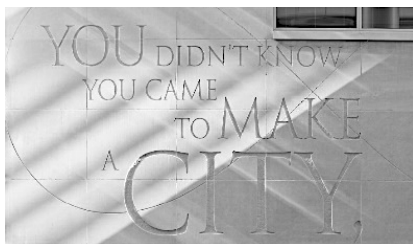
STATE AND LOCAL FISCAL RECOVERY FUNDS 2021 REPORT





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EXECUTIVE SUMMARY

The first line of a poem is inscribed in the atrium of Denver's municipal office building: "You didn't know you came to make a city." The poem, *Elegant Dust*, describes Denver's early settlers in the 1850s and their struggles to build the city.

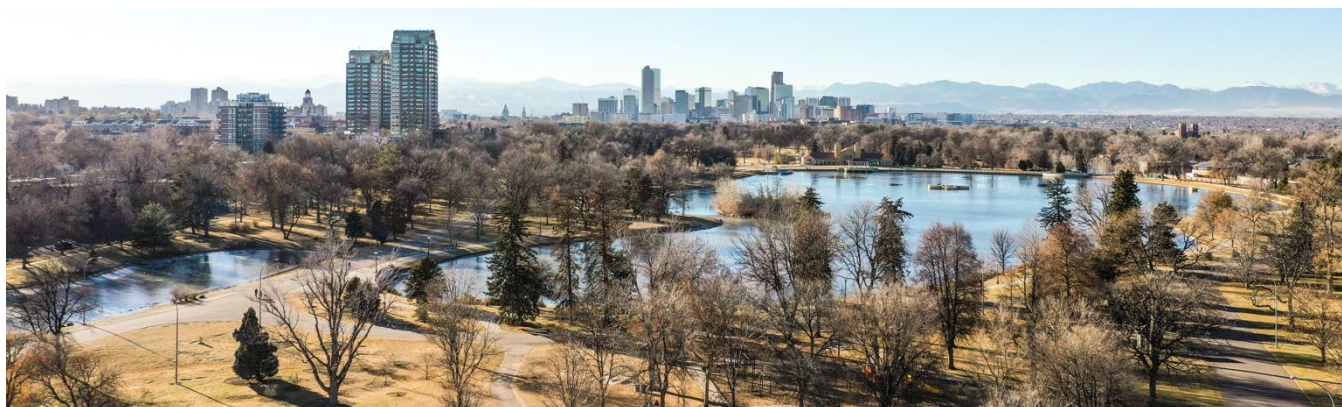
In 2020, those words took on new meaning as the world navigated perilous terrain imposed by the COVID-19 pandemic. Seemingly overnight, the city was shuttered. Roads, businesses, and buses emptied. That poem spoke out to a vacant building as city offices closed. Grocery store shelves grew bare and job prospects grew bleak.

After more than 160 years of building the Mile High City, its government and residents were charged with pioneering once again, this time to remake Denver after it was turned upside down by a pandemic and subsequent economic collapse. By utilizing emergency and federal assistance in 2020, Denver prioritized the health and safety of its people, directing resources to public health, food assistance, economic recovery, and serving vulnerable residents through shelter, housing and individual support. These early efforts carried the City through 2020, but Denver entered 2021 with a commitment to do more than endure.

As transmission rates decreased and vaccinations increased, the City put more focus toward the social and economic challenges laid bare by the pandemic. Disparities in health and economic security were not a symptom of COVID-19, but rather ailments borne amid decades of systemic racism and inflamed by the pandemic. To build back Denver's social and economic infrastructure would not be enough. The City committed to embrace the rare opportunities created by the pandemic to *rebuild* those structures in more equitable and sustainable ways.

In May 2021, President Biden's American Rescue Plan Act (ARPA) allocated the City and County of Denver \$308 million as part of the Coronavirus State and Local Fiscal Recovery Funds.

With the financial backing of the federal government, and the shared vision for equitable outcomes, the City advanced its recovery plan, RISE Denver: Rebuilding an Inclusive and Sustainable Economy.



ARPA Funding Plan

Denver's \$308 million allocation would be deployed by the federal government in two equal tranches. The City received its first half, totaling \$154 million, in July 2021. The second half will be distributed in 2022, and Denver, like all local governments receiving funds, must expend the money by the end of 2024. To adhere to all U.S. Treasury guidelines, and to best leverage the ARPA funds as fuel for Denver's social and economic recovery, the City developed a phased ARPA plan structured around two funding rounds with distinct yet interdependent goals:

ROUND 1:

- **Eligibility Category:** Public sector revenue replacement eligibility category 6
- **Outcome goal:** Ensure responsive City services to be more accessible to the public and better meet the evolving needs of the community, particularly historically marginalized communities.
- **Progress to date:** Denver City Council approved the Round 1 funding package on July 19, 2021.
- **Intended use of funds:** Increase staff capacity and agency budgets most impacted by the pandemic and most crucial to supporting recovery efforts, especially in historically marginalized communities. Funds will support responsive City services in two primary ways:
 - Restore City workforce by eliminating employee furloughs and rehiring to fill vacant positions
 - Address workloads by replenishing agency budgets cut due to revenue loss or in need of additional resources due to increased demands from the pandemic

ROUND 2:

- **Eligibility Category:** Support negative economic impacts eligibility category 2
- **Outcome goal:** Support an equitable and sustainable recovery for communities and businesses hit the hardest by the pandemic.
- **Progress to date:** Round 2 funding decisions will be determined collaboratively between the community and government following a robust public outreach process that began on May 19, 2021.
- **Intended use of funds:** Support programming to rebuild social and economic structures so all residents, particularly historically marginalized communities, have access to stability and prosperity.

Denver's ARPA funds do not exist in a silo, rather they are a critical component to the City's comprehensive, multi-year financial strategy to leverage both federal and local funds for recovery. In addition to receiving the ARPA allocation in spring 2021, Denver also accelerated deployment of its existing bond funds for infrastructure and proposed a new \$450 million general obligation (GO) bond program for citywide infrastructure improvements as an economic stimulant for local businesses. With a great influx of stimulus funds coming into the city, Denver was intentional about its funding sequence. Providing the time and space for in-depth community conversations was as important as regaining staff and budget capacity so the city would be primed to implement stimulus recovery programming that is responsive to community needs. A multi-round approach best accommodated both needs.

Denver advanced a \$46.2 million Round 1 ARPA funding package on June 22, 2021 with a presentation to Denver City Council. Denver City Council approved the package on July 19, 2021, and agencies advanced their planning for additional staff and budget capacity. With Round 1 approved, the City now has ample time to address current backlogs and complete hiring and onboarding processes before community and business recovery programming is funded through Round 2. Although the continuity and expansion of City services are critical to Denver's overarching recovery mission, the City was intentional about limiting Round 1 funding to 30 percent of the total \$308 million allocation in the public sector revenue replacement Eligibility Category 6 to preserve as much capacity as possible so future rounds can remediate negative economic impacts aid in direct community and business recovery. The first of these efforts will be funded through Round 2, which began in May 2021 with a robust community outreach process. Now in the final stages of the public process, Round 2 allocations will be presented to the Denver City Council for discussion and review in the coming months.

Looking Ahead

Denver is in the early stages of executing its comprehensive recovery plan, but signs of progress are visible. Once-empty buses now carry passengers wearing face masks. Once-empty businesses now serve customers on outdoor patios with cleaning stations at the ready. The once-empty municipal building now hosts hundreds of City employees each day, passing through the atrium beneath the poem *Elegant Dust*.



A dusty road is not often considered elegant, but the poet knew dust signifies movement, progress, and a drive for better. Today, Denver embraces that same drive. Society was stunned by the unprecedented circumstances of 2020, but Denver chose not to dwell in the unknown and rather drive toward opportunity. The City emerged from the unprecedented and, through strategic focus on engaging and supporting those most impacted by this pandemic, is now ready to start anew. With a commitment to equity and sustainability, and with the support of the

federal government, Denver will rebuild and rise once more.

COMMUNITY ENGAGEMENT



It takes more than hammers and steel to make a city. Deconstructing systemic racism and rebuilding equitable social and economic infrastructure means first employing a different tool: listening. For too long, communities of color were distanced from civic processes or left out of conversations altogether. When developing the recovery plan, Denver committed to keeping historically marginalized communities at the forefront. This commitment led to the sequenced approach to ARPA funding and triggered the community outreach campaign, RISE Together Denver. The campaign took a comprehensive approach to

Denver's recovery and solicited input on the \$308 million ARPA allocation as well as the \$450 million GO bond infrastructure program that will be proposed to Denver voters in fall 2021. The Department of Finance (DOF) aimed to educate residents on and engage them in the economic recovery process, with particular focus placed on reaching historically underserved communities.

Concepts like budgeting and funding strategy are often so shrouded in complexity, the people who might most benefit from those decisions find it difficult to understand, let alone participate in such conversations. RISE Together Denver sought to pull back the curtain and not only invite residents into the process but bring the process to them. The outreach process was designed to be as accessible to the public as possible and executed in a way that focused on those hit the hardest by the pandemic and with the highest barriers to typical public input processes. Three general recovery areas were identified: community recovery, business recovery, and infrastructure investment. These general recovery areas served as more accessible entry points into complex discussions.

Prior Input Assessment

To inform the outreach process, the DOF reviewed all relevant input that had been submitted by community members and City Council officials between 2017 and 2020. In 2017, DOF hosted five public meetings across the city to solicit community input on capital improvement projects. At the time, the City was preparing for a GO bond, and it received 4,000 comments and project ideas from the public. The DOF went to the public again in 2019 and received an additional 1,000 comments relating to capital projects. This information informed the Six-Year Capital Improvement Plan and generated a list of more than 200 specific infrastructure projects across a variety of asset categories, including:

- Transportation systems
- Community and cultural facilities
- Spaces to serve people experiencing homelessness and to promote public health
- Projects addressing climate change and supporting the environment
- Parks and recreation systems



The City had also previously received input on community and business recovery areas. In 2020, Denver Human Services (DHS) acted swiftly to connect with the community and gather baseline information about its most pressing needs. DHS hosted 13 conversations around four topic areas: growth and development, food security, financial worries and opportunities, and caring for yourself and your family. These conversations took place over Zoom and were focused in five historically underserved neighborhoods. The feedback was analyzed using thematic synthesis methodology and identified nine themes:

Communication and collaboration between residents and the government	Cultural, racial, and linguistic equity	Transportation
Housing costs	The digital divide	Missing or desired resources including food access, childcare, mental health resources, etc.
Economic resiliency	Distrust and fear of the government	Improved services at DHS

The City had also previously received input on business recovery. In 2020, the mayor launched the Economic Relief and Recovery Council (ERRC), which consisted of over 100 business and community leaders across the city and across industry sectors. The ERRC worked collaboratively to identify the areas of greatest need for business, and particularly for small business enterprises, and minority/women business enterprises. The City and the ERRC identified five key interest areas and associated strategies:

1. Bringing back and enhancing lost jobs and creating new jobs
2. Strengthening small-business and nonprofit growth and resiliency
3. Revitalizing neighborhoods through targeting community support and placemaking
4. Making it easier to do business with the City
5. Accelerating public investment

Image of Denver's Coronavirus Relief Funds dashboard showing how the funds were used to support Denver's emergency response. The image shows a bar graph and an arched graph of funding allocations. Full dashboard: <https://denvergov.org/Government/COVID-19-Information/Public-Orders-Response/Response-Plans/Finance>

Finally, the City worked with the Denver City Council to allocate \$126 million through the CARES Act's Coronavirus Relief Fund (CRF) for emergency response. City government engaged the Denver City Council through a series of briefings and televised presentations to council committees to solicit feedback on the proposed phased spending and determine a plan to meet communities' most urgent needs. Over the course of the year, the DOF presented to City Council committees on six different occasions, and six key investment areas were identified, including public health, food assistance, the continuity of City services, economic recovery, sheltering and housing support, and individual support to the most vulnerable residents.

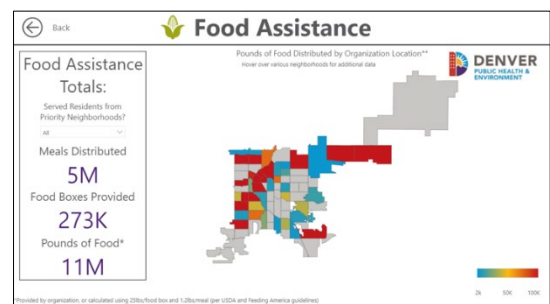
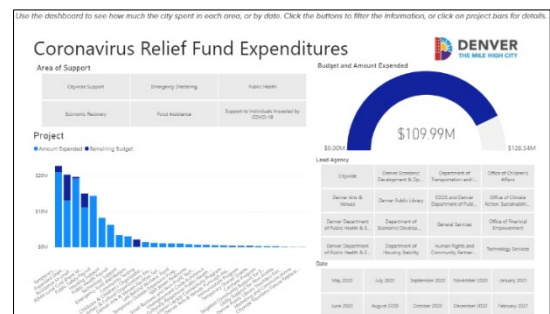


Figure 1.: Images of Denver's CRF dashboard

In addition to briefings with the City Council, the DOF was intentional about being as transparent and communicative with the public as possible. The DOF issued five news releases detailing its funding plans. DOF also launched an [interactive dashboard](#) to track how the money was spent and the communities served through those funds. The transparent and accurate use of Denver's CRF funds was later identified as a best practice by the city's independently elected Auditor.

Process and Content Development

Informed by this prior input from the community and businesses, the City developed and designed an inclusive engagement process to safely and accurately capture the community's input on how to rebuild Denver's social and economic framework in a more equitable way. The outreach plan centered around key questions informed by the earlier processes and sought to reach and elevate the perspectives of those who have historically been the furthest removed from civic discussions and decision-making to provide them access to discourse and social power. To ensure equitable outreach, the survey design incorporated Denver's awareness that a survey topic is just as important as how the question is written, as is the medium through which the discussion occurs. DOF worked to seek review of survey content and design from equity experts both within city agencies, the city at the Mayor's Office of Social Equity and Innovation (OSEI) as well contracted external experts to review and edit survey content, provide best-practice recommendations for inclusive marketing techniques, and advise on language access and the intended platforms to host engagement sessions.

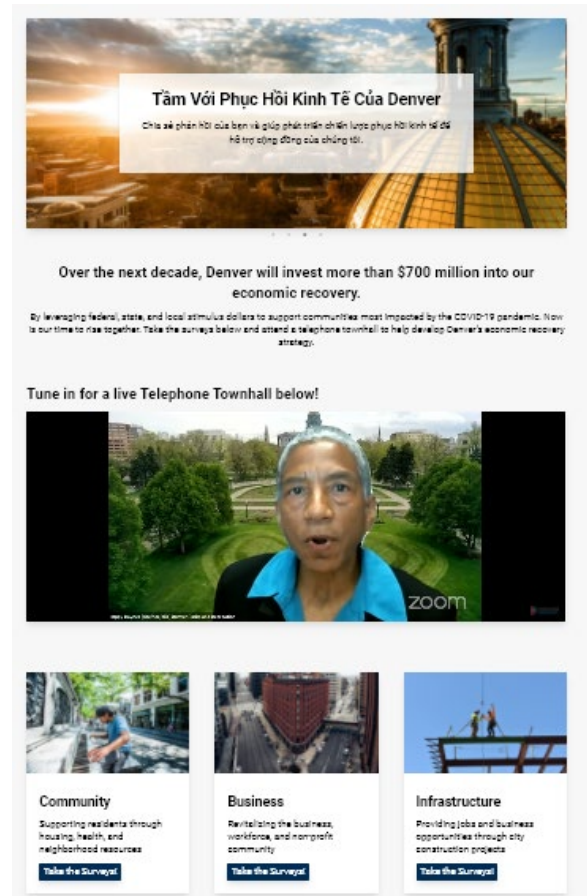


Figure 2: Image of the RiseTogetherDenver.org website homepage livestreaming a telephone townhall on June 6, 2021



The collaboration resulted in RISE Together Denver, a three-week campaign in May–June of 2021. Because of the public health environment at the time, the City prioritized a digital and distanced approach. However, to mitigate impacts imposed by the digital divide, the campaign embraced a two-pronged structure: a digital engagement website featuring survey questions, and four telephone townhalls featuring live polling and open comments. To foster a collaborative experience for residents, DOF aligned the telephone townhalls with the digital website as much as possible. Residents could access surveys between May 19 and June 9, 2021, and the four telephone townhalls took place within that window as well. The questions asked during townhalls were the same questions asked online, though residents were able to answer additional questions through the website. Despite the need for digital and distanced processes, this approach allowed residents to participate in the same conversations, and their feedback was reviewed collectively.

The DOF leveraged a contract with the software platform Bang the Table to launch the digital engagement website www.RiseTogetherDenver.org. The site includes a homepage and pages for community recovery, business recovery, and infrastructure. The site is fully translatable, with unique welcome messages in English, Spanish, Vietnamese, and Amharic. These languages were selected after consultation with the City’s language access coordinator, who prioritized them based on the percentages of community members with limited English proficiency within each population in Denver.

Using information gathered through community outreach between 2017 and 2020 as a foundation, and with guidance from The People Lab, the City finalized a list of 19 topics for residents to provide input on.

Community recovery topics:

- Housing and support for people experiencing homelessness
- Transportation access
- Food access
- Education
- Childcare
- Health care access
- Mental health access
- Digital access
- Direct cash assistance

Business recovery topics:

- Jobseeker and workforce support
- Local business support
- Community and neighborhood support
- Government regulations for Denver businesses
- Accelerated public investment

Infrastructure topics:

- Safe and accessible transportation systems
- Community and cultural buildings
- Spaces to serve people experiencing homelessness and to promote public health
- Projects addressing climate change and supporting the environment
- Enhanced parks and recreation systems

Across the three recovery categories, the city posed 32 questions to residents. The campaign featured multiple-choice questions, open-answer options, and forum posts to encourage dialogue among residents. Knowing that it was important to carve out spaces where residents felt comfortable openly sharing their thoughts and conversing with their neighborhoods, the campaign intentionally created such spaces, and it



structured questions in accessible and sensitive ways. Each recovery area included forum posts about equity and the need to prioritize historically underserved communities.

The inclusion of forum discussions throughout all the recovery areas encouraged residents to voice their concerns and start honest dialogues about the hardships they faced during the previous year.

To reach people with digital access barriers, the campaign also hosted four telephone townhalls. These events were designed to reach historically underserved communities in three primary ways. Most obviously, the medium lowered barriers imposed by the digital divide to connect with those with limited to no internet access or a lack of comfort with internet technologies. But use of the medium also sought to reach residents who faced more systemic barriers to civic discussions. A certain degree of literacy is required for written

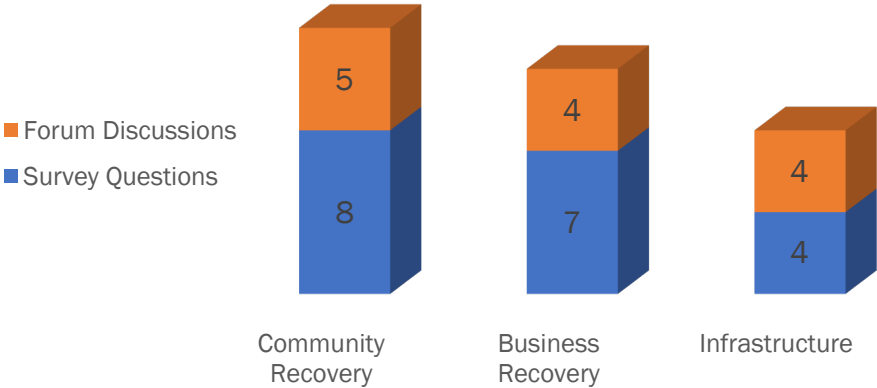
surveys, but the format of the telephone townhalls allowed residents to hear conversations and follow verbal instructions for live polling. Finally, those facing the greatest financial and social pressures, and those historically disenfranchised from civic processes, often have the least capacity to seek out participation opportunities. The telephone townhalls brought the conversation to residents, meeting them where they are.

Although the telephone townhalls were open to all residents, each event dialed out to 20,000 residents and sent text messages to 10,000 residents, for a total of 120,000 direct contacts across all four townhalls. All phone and text outreach went to residents listed within 10 neighborhoods identified as the most vulnerable to displacement, known in Denver as [NEST](#) [Neighborhood Equity & Stabilization] neighborhoods. NEST



Figure 4: Image of the translated postcard mailed to 25,000 residents in historically marginalized neighborhoods

Figure 3: Chart displaying the distribution of content on the [www.RiseTogetherDenver.org](#) website



neighborhoods are located in historically underserved areas and are undergoing large-scale development, placing residents at higher risk for involuntary displacement. NEST neighborhoods commonly have the highest poverty rates, the lowest educational attainment levels, and the least amount of access to food and healthcare. The telephone townhalls were marketed to these 10 neighborhoods as well, with 25,000 translated postcards mailed to residents and a paid social media campaign geofenced in these neighborhoods. All four telephone townhalls were simulcast in English, Spanish, Vietnamese, and Amharic, and were held both on weekdays and on weekends, in the morning and in the evening hours to accommodate the working schedules of all Denver residents.

Telephone townhalls brought civic conversations and decision-making processes into people's homes and lives, allowing them an active role while they made dinner, got ready for work, or cared for their children. Each townhall featured a panel of City leadership, including the mayor, the Denver City Council president, the chief financial officer, and other topical experts from the city's human services, transportation, economic development, and parks and recreation departments. Residents were polled on nine questions and had the opportunity to speak to the panelists and share open comments live.

Turnout and Results

Between May 19 and June 9, 2021, more than 6,200 residents participated in the campaign, and 9,800 survey responses and comments were received. The racial and demographic makeup of participants was a near match to the demographic makeup of the city, with 43 percent of respondents identifying as Black, Indigenous or people of color (BIPOC). Additionally, 31 percent of respondents said they were either somewhat worried or very worried about affording next month's expenses. The city saw the highest levels of participation from the 10 target neighborhoods identified as most vulnerable to displacement.

RISE Together Denver Resident Participation by Vulnerable "NEST" Neighborhood

Neighborhood	Participants	Participation Percentile
Westwood and Valverde (ZIP code 80219)	607 residents	100 th percentile
East Colfax (ZIP code 80220)	526 residents	99 th percentile
Northeast Parkhill (ZIP code 80207)	517 residents	97 th percentile
West Colfax, Villa Park, Sun Valley (ZIP code 80204)	397 residents	94 th percentile
Montbello (ZIP code 80239)	381 residents	92 nd percentile
Globeville, Elyria Swansea (ZIP code 80216)	88 residents	72 nd percentile

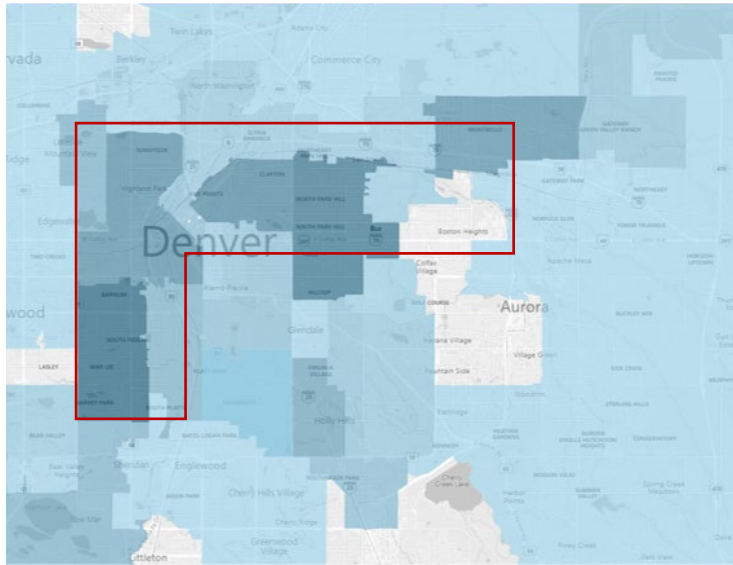
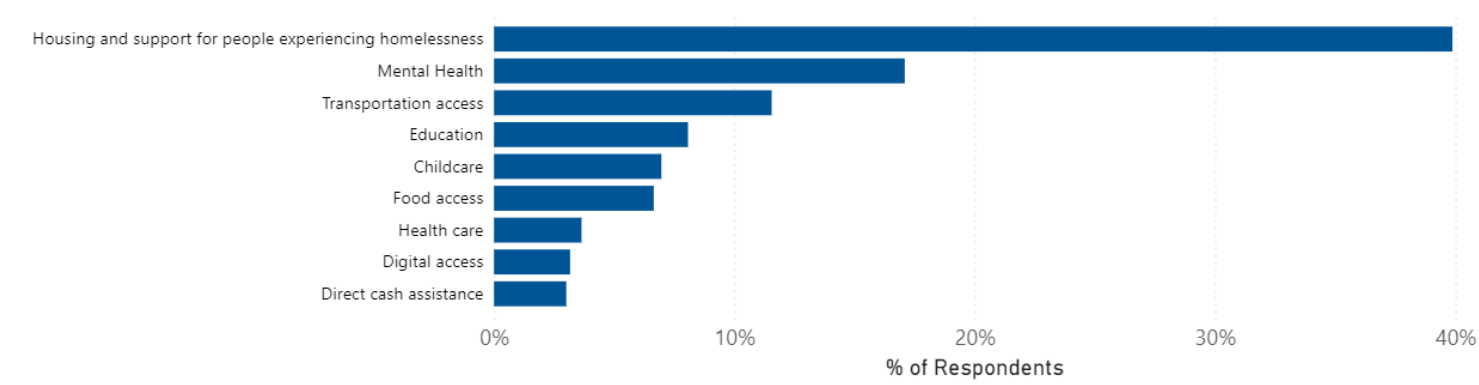


Figure 5: Map of the Denver metropolitan area shaded to reflect participation by zip code, with higher participation shaded darker. The red outlined “inverted L” represents Denver’s vulnerable neighborhoods. The map shows that historically marginalized neighborhoods saw the highest participation rates by zip code.

The City received feedback on all 32 questions asked online. Of the 32 online survey questions, nine were deemed most important by City agencies, OSEI, and the People Lab, and were selected as the telephone townhall live polling questions.

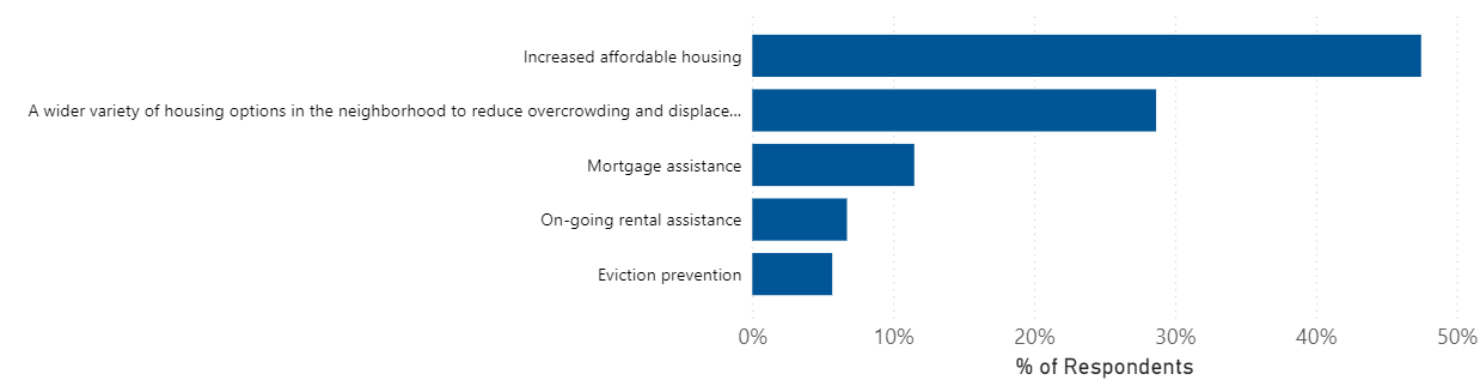
Community Recovery Survey Questions:

When it comes to community support what matters most to you?

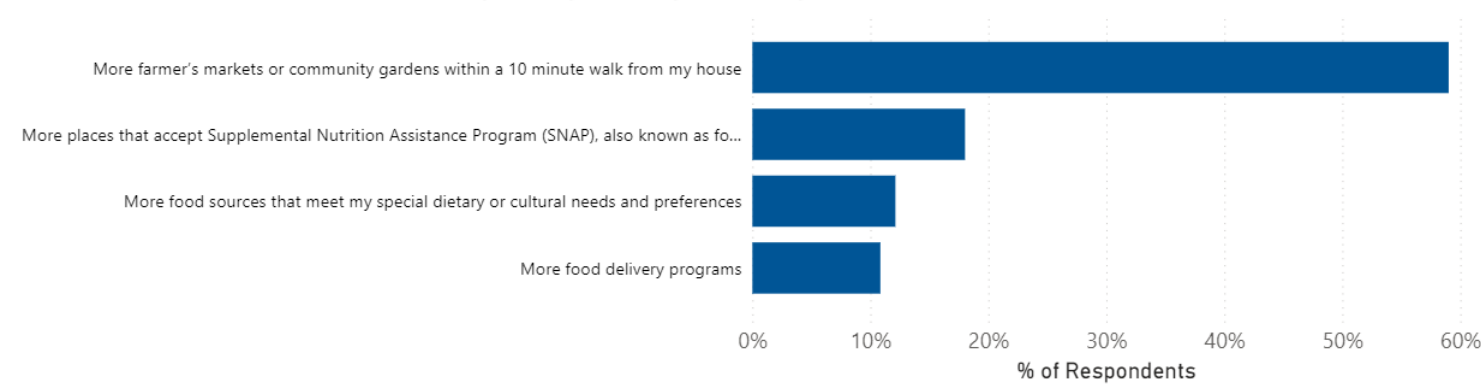




Which housing solutions would be the most helpful to you and your family?

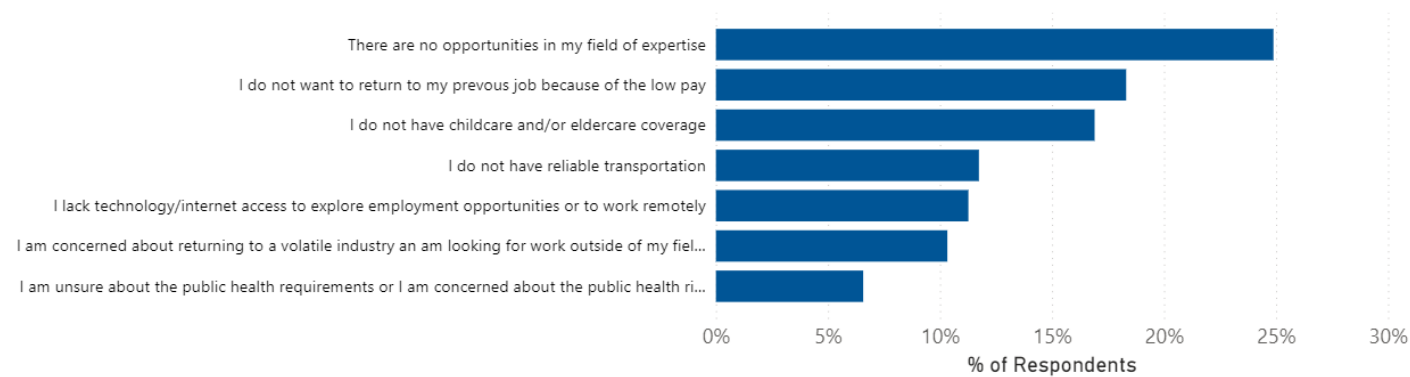


Which solutions would be the most helpful to you and your family to access nutritious food?



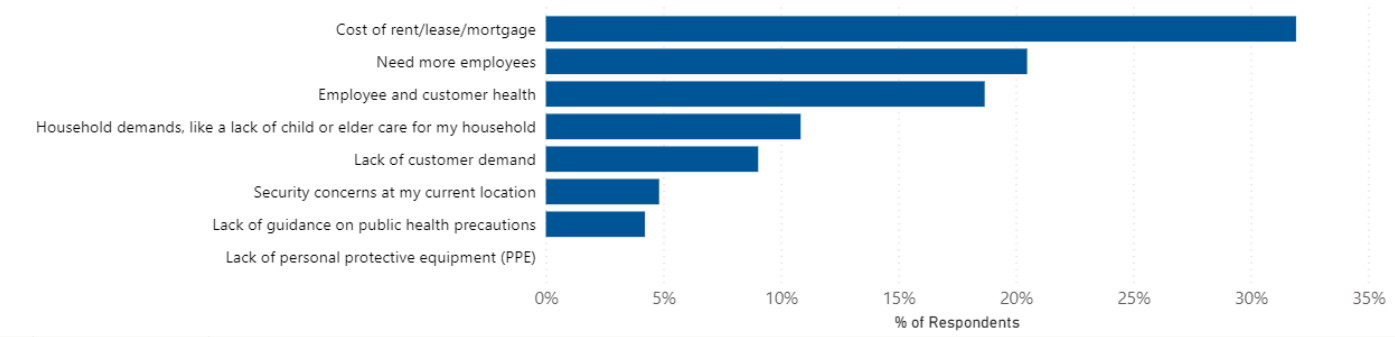
Business Recovery Survey Questions:

If you are seeking employment, what are some of the barriers that are preventing you from returning to work?

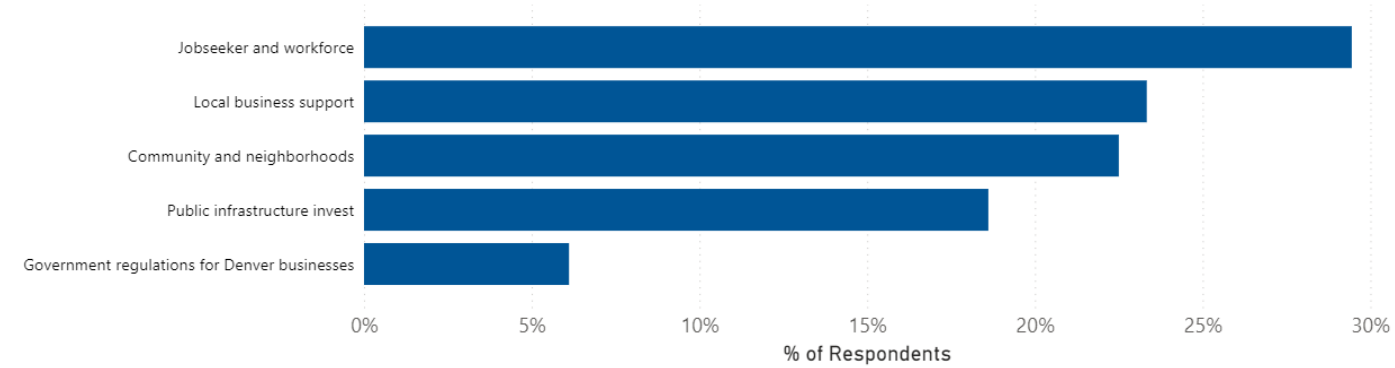




If you are a business owner, as you prepare to move toward opening at full capacity, what are the barriers to success you are most concerned about?

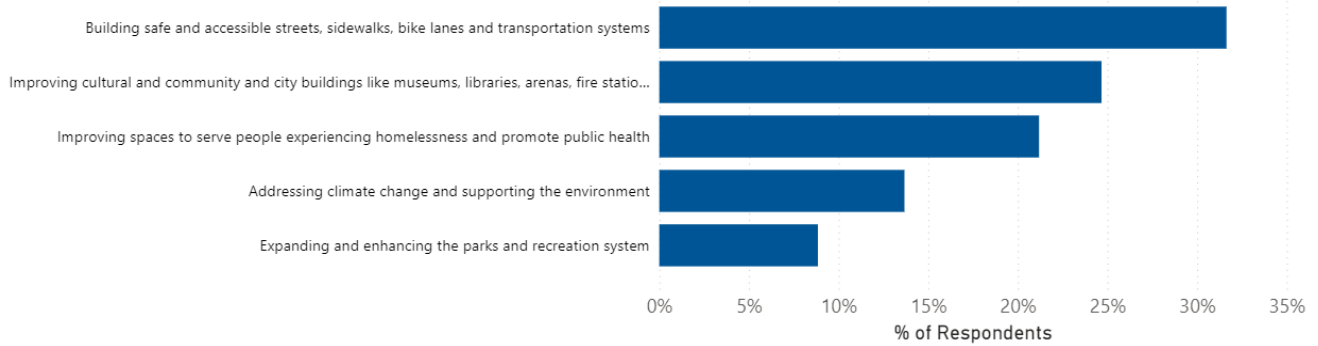


When it comes to business and workforce supports what matters most to you?

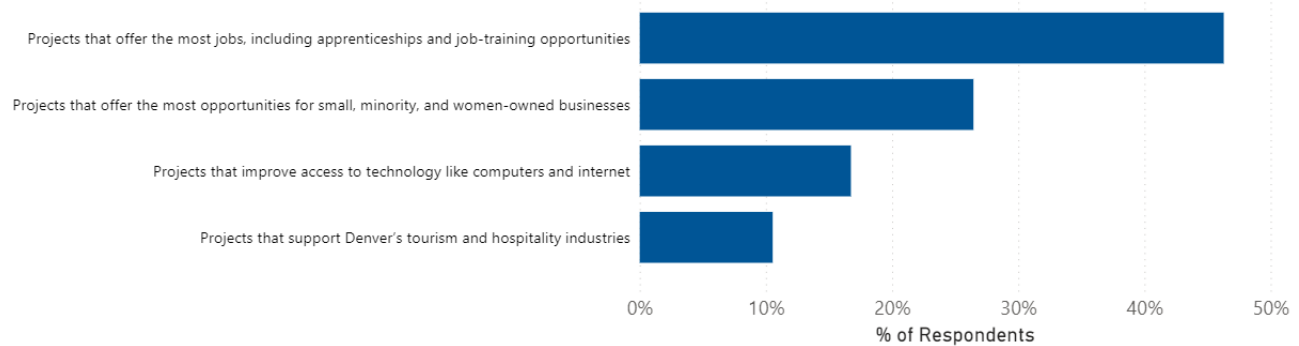


Infrastructure Survey Questions:

When it comes to infrastructure, what matters most to you right now?



Infrastructure can have a variety of economic benefits. What do you think the city should prioritize?



Infrastructure can mean building new projects or fixing something that already exists. What do you think the city should prioritize?

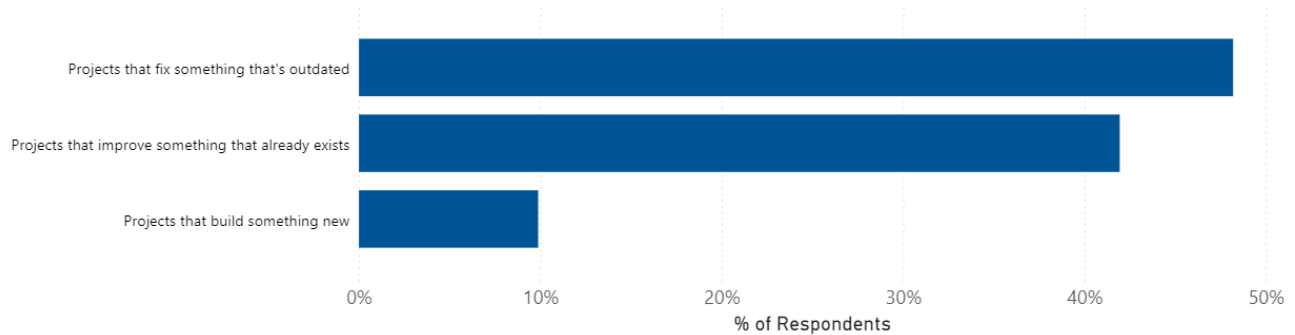




Figure 8: From left: Public comments received from community recovery surveying; public comments received from business recovery surveying; public comments received from infrastructure surveying

Community Stakeholder Committee Process

The input received from the public during the RISE Together Denver campaign outlines the needs of community members, particularly those in more vulnerable neighborhoods. As a final step in the community outreach phase, the DOF convened a series of meetings with two community advisory committees to review specific funding proposals before starting the legislative process.

Members were appointed to the committees and represent a variety of backgrounds and experiences, with more than 60 percent of members across the three committees identifying as BIPOC and representation from other traditionally marginalized communities, including people living with disabilities. The DOF presented all community feedback to each committee to inform their advisory roles. The committees meet regularly to discuss funding strategies and advance specific funding allocation recommendations to the mayor and the Denver City Council.

The Bond Executive Committee (BEC):

A body of 10 experts within the field of infrastructure and capital construction. This body evaluates, balances, and advises the City on a package of GO bond projects.

- Committee Chair Mowa Haile – President, Sky Blue Builders
- Committee Co-Chair Josh Laipply – Mayor Michael B. Hancock’s Chief Projects Officer
- Councilwoman Stacie Gilmore – City Council President
- Councilwoman Jamie Torres – City Council President Pro Tem
- John Desmond – President, Revitalizing Cities, LLC
- Chris Martinez – Former Executive Director of Hispanic Contractors of Colorado
- Erin Porteous – CEO, Boys & Girls Clubs of Metro Denver
- Elaine Torres – Community Affairs Director, CBS4
- Paul Washington – Executive Vice President, IMA Financial Group, Inc.
- Committee Staff Lead Laura Perry – Capital Planning and Real Estate Director

The Stimulus Investment Advisory Committee (SIAC):

A 13-member group of diverse community, nonprofit, and business representatives. This body advises the City on ARPA allocations relating to community and business investments.

- Councilwoman Stacie Gilmore – City Council President
- Elbra Wedgeworth – Former City Council President, former Denver Health and Hospital Authority executive
- Lindy Eichenbaum Lent – Rose Community Foundation President and CEO
- Stewart Tucker Lundy – Disability Law Colorado Board Member, 16th Street Mall Champions Member, CEO Stewart Tucker Lundy & Associates
- Lori Davis – Economic Relief and Recovery Council Chair, Grant Thornton Managing Partner
- Albus Brooks – Long Term Recovery and Resiliency Committee Co-Chair, Millender White Vice President, Former City Council President
- Dewey Jackson – Denver Area Labor Federation AFL-CIO President
- Tony Lemus – El Centro Program Director
- Janice Sinden – Denver Performing Arts Center President and CEO
- Christine Benero – Mile High United Way President and CEO
- Susan Powers – Urban Ventures President; Denver Health Foundation Board Member
- Glenn Harper – Sun Valley Kitchen and Community Center Owner
- Monica Martinez – The FAX Partnership Executive Director

Stimulus Investment Advisory Partner Sub-Committee:

Local leaders from eight partner organizations, many of which also received federal funding, such as Denver Public Schools, RTD, Denver Housing Authority, and more. This body collaborates and shares investment plans to create a coordinated, regional federal funding approach.

- Dr. Robin Wittenstein – Denver Health and Hospital Authority CEO
- David Nisivoccia – Denver Housing Authority Executive Director
- Chuck Carpenter – Denver Public Schools Chief Financial Officer
- Angela Bricmont – Denver Water Chief Financial Officer
- Doug McLeod - Regional Transportation District (RTD) Chief Financial Officer
- Deborah Jordy – SCFD (Scientific Cultural and Facilities District) Executive Director
- Patrick Meyers and Hana Sayeed - State of Colorado Office of Economic Development and Information Technology
- Richard Scharf - Visit Denver President and CEO

Currently, the Stimulus Investment Advisory Committee is in the final stages of reviewing the Round 2 allocations of community and business funds, and a package will soon enter the legislative process to move toward City Council approval.

PROMOTING EQUITABLE OUTCOMES

Equity has long been a goal in Denver, and the mayor launched the Office of Social Equity and Innovation (OSEI) in 2019 and officially established the office in 2020 through Executive Order 146. OSEI aims to increase systems, policies, and practices that sustain social equity, race, and social justice. The office oversees the citywide effort to eliminate social inequity and racial and social injustices by evaluating institutional and structural government systems, policies, and practices to dismantle racism. Through its work, OSEI combats not only interpersonal racism, but structural racism entrenched in established institutions and institutional racism built into laws and practices that systemically result in inequality and negative outcomes for certain racial groups.

OSEI established four Citywide equity goals:

1. Denver will be an inclusive employer where City staff is valued, supported, and given the tools to advance social equity, race, and social justice.
2. Denver will be an inclusive City that integrates social equity, race, and social justice into policies, practices, programs, and budgetary decisions to create equitable outcomes.
3. Denver will be an inclusive government that effectively engages the community to create equitable outcomes.
4. Denver will use nationally recognized research and data-driven practices to support the City's progress toward social equity, race, and social justice.

In addition to the four Citywide equity goals, OSEI flagged focus areas most relevant to Denver's equity mission:

- Housing and Transportation
- Youth and Education
- Criminal Justice
- Business Opportunities for small- and minority-owned businesses and disadvantaged businesses
- Development and Sustainability
- Arts and Culture

With the Citywide equity goals and focus areas in mind, OSEI works closely with DOF to build out specific equitable outcomes for both rounds of Denver's ARPA spending plan.

Equitable Goals and Intended Outcomes:

To achieve its goal for an equitable and sustainable recovery, Denver first identified how to use the term equity. Equity means the fair treatment, access, opportunity, and advancement for all people, while at the same time identifying and eliminating structural barriers and systemic racism that have created inequity for communities of color, First Nations people, and historically marginalized groups. Improving equity involves increasing justice and fairness within the protocols, processes, practices, and policies of institutions or systems, as well as in their distribution of resources.

Equity is closely tied to actions and results to address historical disparities. Ultimately, equity occurs when race can no longer be used to predict life outcomes, and outcomes for all groups are improved.

Based on this definition of equity, DOF worked with city agencies and OSEI to outline key priority groups for ARPA funding allocations. In disaggregating outcomes, the City intends that demographic factors and neighborhood should not determine life outcomes or access to services. These categories include intersectional identities such as race/ethnicity, gender identity, disability, age, sexuality, immigrant identity, and others who have been historically marginalized from benefits, services, investments, and resources.

After analyzing ARAP eligibility requirements, and cross walking those requirements with the themes prioritized through the RISE Together Denver public outreach process, the City identified a variety of populations that may benefit from Denver's ARPA allocations, either through Round 1 or Round 2

- BIPOC households and communities
- Small businesses impacted by COVID-19, including minority/women owned businesses
- NEST neighborhoods
- Youth and children
- People with behavioral health, mental health, and substance abuse conditions in underserved communities
- People with disabilities
- People with limited English proficiency
- Households with digital access barriers
- Low- to moderate-income individuals and households
- Low-food-access neighborhoods or populations
- People experiencing homelessness
- Furloughed employees

Equitable Access and Distribution:

To serve the needs of those most impacted by the pandemic, the City employed an existing and proven framework to evaluate ARPA funding proposals through an equity lens.

Since its creation, OSEI has been embedded in the annual Citywide budget process and developed a Budget Equity Framework. This framework is intended to operationalize identifying and developing budget requests that support historically marginalized communities, or mitigating impacts of budget decisions that may negatively impact these communities. For each budget proposal, agencies must consider:

- How does the budget request or adjustment directly benefit or impact one or more of the following? Older adults, people with disabilities, or BIPOC communities and individuals historically marginalized by systems
- Identify the neighborhood(s) or city employees most impacted by the request
- What could be the unintended consequences to the budgetary adjustment?
- How will the agency/department mitigate harm and address any concerns due to the budgetary adjustment?



This framework was applied in 2020 when the City had to implement budget reductions. In 2021, the framework was provided to the community advisory committees guiding Denver’s stimulus funding plans. Both the SIAC and the BEC were briefed on the framework to ensure that considerations for equity were taken into account with all funding decisions.

The budget framework is coupled with a data-driven approach to ensure that funds are distributed to communities and neighborhoods in most need of resources and support. Many City agencies have equity frameworks or tools to guide programming and budget decisions. For example, the Department of Public Health & Environment (DDPHE) uses a [Neighborhood Equity Index](#) to identify where the greatest health disparities exist in Denver. Considering health outcomes based on these factors helps DDPHE address health disparities and social determinants of health. Denver Economic Development & Opportunity (DEDO) directs much of its resources to businesses and households in NEST neighborhoods to support anti-displacement efforts. Similarly, the Office of Children’s Affairs uses a [Child Well-Being Index](#) to devote support to neighborhoods with a high percentage of youth of color, high child-poverty rates, and high percentages of chronically absent students, as well as other factors.



Finally, to identify and understand the potential impacts of ARPA funding, OSEI continues to work with agencies across the city to develop discuss measurable outputs, outcomes, and impacts, both short-term and long-term through agency equity action plans.

Awareness

Confronting and tackling equity issues requires an understanding of the root causes of disparities within society and listening to those most impacted by inequity. Relationship building is instrumental to the larger rebuilding goals in Denver, which is why Round 2, to fund community and business support, started with a robust community outreach process. The City heard directly from residents and learned about the most pressing needs of the community. Vulnerable NEST neighborhoods had the highest concentrations of participation over the three-week outreach campaign.



RISE Together Denver did not end on June 9, 2021, when surveys closed. Rather, the initial three-week survey collection period serves as the first step to open better and lasting channels of communication and dialogue between the City and its historically marginalized residents. The website pivoted after surveys closed to host information about the next steps in the economic recovery process. To be as transparent as possible, a dashboard with all community feedback was published to the site, along with recordings of all four telephone townhalls. DOF will publish details and information about Round 2 funding proposals when they are advanced to the Denver City Council.

When support resources are approved and become available, the same communication channels will be employed to message opportunities to the public. The City gained the ear of more than 6,200 residents through RISE Together Denver, and there is an opportunity to strengthen those relationships by being responsive and accountable to the needs they raised. Denver will communicate funding decisions to residents who participated in the outreach campaign and also cultivate new connections by empowering residents to tap into their networks and distribute information.

Trust building is a long process, and Denver knows that communities may be uncertain of their government. The various community stakeholder committees established during the public process will serve as trusted intermediaries to distribute information to vulnerable and historically marginalized populations. Nearly 30 diverse community members sit on either the Stimulus Investment Advisory Committee, the Partner Sub-Committee, or the Bond Executive Committee. These residents are known and recognized as leaders in their communities, and more than 60 percent of these individuals identified as BIPOC. These local leaders have far greater reach into their communities and DOF will provide content and support so they can distribute information about available resources to their networks.

In addition to building on the positive momentum from RISE Together Denver, the City will leverage all relevant communication channels to spread information about support programs. This includes newsletter or e-blast communications from the Mayor's Office, Denver City Council, and City agencies such as Denver Human Services, Denver Economic Development & Opportunity, the Office of Children's Affairs, Human Rights & Community Partnerships, and more. Other tactics such as geofenced social media campaigns, flyers at public buildings like Denver Public Libraries, media releases, and community events can also be leveraged.





USE OF FUNDS

ARPA Funding Strategy:

Denver's ARPA funds are being delivered in two equal installments, with the first \$154 million received in July 2021. Denver took a sequenced approach to its ARPA funds, with Round 1 aimed at rebuilding City capacity, and Round 2 intends to fund efforts for community and business recovery. The City will continue to evaluate the needs of the community for future rounds and decisions will build upon the City's experience of distribution of previous rounds.

ROUND 1: Responsive City Services

The first phase of Denver's ARPA funds will dedicate \$46.2 million to restore portions of budgets that were reduced amid decreased revenues as a result of the pandemic. In April 2020, the City initiated a mid-year budget reduction process in response to the dire economic conditions from the pandemic. The Mayor's Office and the DOF partnered with OSEI to ensure that reductions would have as few negative impacts as possible on historically marginalized communities. The City requested 7.5 percent budget reduction proposals from each agency, and those proposals were processed through OSEI's Budget Equity Framework to mitigate negative impacts to key populations, including BIPOC communities, people with disabilities, older adults, and children. Each savings proposal was evaluated based upon its impact and feasibility. Not all proposals were implemented. In fact, as a result of this process, certain agencies, such as the Office of Housing Stability and the Office of Children's Affairs, were identified as critical to serving vulnerable communities and experienced few if any reductions. In some cases, these critical agencies were allocated more funds.

Although the reduction process was rooted in the Budget Equity Framework, leaner budgets posed hardships both to agencies and to the residents most dependent on City services. Denver's spending of its Round 1 ARPA funding was used to most immediately address those hardships and includes two categories:

Category 1: Restoring City workforce

Through the first round, Denver will invest \$43.6 million to restore portions of City agency budgets to address staffing. Approximately 400 staff positions were held vacant as a cost-saving measure, and these funds will allow agencies to fill 271 positions. Additionally, staff were required to take between six and nine furlough days, depending on their annual pay, with closures of all city offices on four of those days. The furlough plan varied the unpaid days with equity in mind. With these funds, all furlough days were canceled.

Key outcomes: Restoring the City's workforce will provide residents more access to critical City services, and staff will have the capacity to better meet the evolving needs of the community. In the long term, these efforts will yield greater connections between residents and city staff and more positive relationships between the government and the public.

Category 2: Addressing workloads

In addition to supporting staff positions and availability, the first round dedicates \$2.4 million in 2021 to critical services that were impacted by the pandemic, either through backlogs during public-health-ordered closures or through increased need due to the virus. Through these funds, the City will be able to better serve a variety of residents, including:

- Residents in the criminal justice system, by reducing backlogs within courtrooms

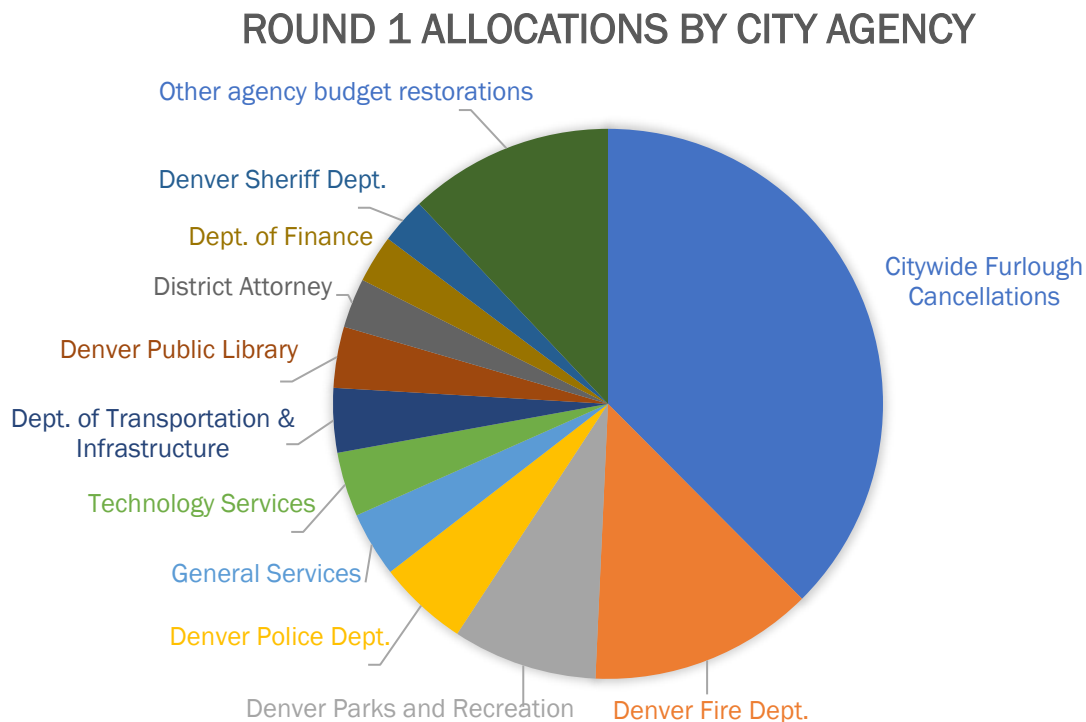
- Residents facing housing insecurity, by adding resources to address the threat of foreclosure and eviction
- Residents struggling to maintain or revitalize business opportunities, by investing in the patio expansion program, City permitting, and public health inspections

In addition to supporting these services, funds will support general security and technology efforts to allow for safe and efficient hybrid Denver City Council meetings, a more seamless return to work process, and support for the management of federal funds.

Key outcomes: By dedicating resources toward critical City services that have experienced drastic increases in staff workloads, the City will be more responsive to emerging needs and better prepared to serve residents most impacted by the pandemic, including those in the criminal justice system, those facing housing insecurity, and the business community.

The City proposed Round 1 allocations to the Denver City Council on June 22, 2021, and the proposal was approved on July 19.

Figure 9: Pie chart displaying Denver's \$46.2 million Round 1 funding allocations by City agency



ROUND 2: Sustainable and Equitable Community and Business Recovery

Round 2 of Denver's ARPA allocation will address negative economic impacts from the pandemic, particularly among disproportionately affected communities (expenditure Category 2).

Prior to the pandemic, Denver was one of the nation's most prosperous cities, with one of the lowest unemployment rates in the nation, 2.8 percent. By April of 2020, Denver's unemployment peaked at 13.4 percent and, almost immediately, it began to see devastation to industries such as hospitality, leisure, and construction, as well as to many small locally owned businesses. These sectors employ Denver's lowest-wage workers and a high percentage of people of color. Denver's plan for using Round 2 of its ARPA allocation has a bold vision of not only meeting but surpassing pre-pandemic economic activity while ensuring the benefits of prosperity reach all communities, especially historically under-resourced and underserved residents, workers, and businesses.

The disruptions to the economy did not affect everyone equally, and Denver's commitment to equity means those hit the hardest must have the greatest influence in funding decisions. Round 2 funding allocations could only be made after a robust discussion with impacted communities (described above).

The City initiated a public outreach process in May 2019, which was followed by a community advisory committee process and a collaborative City Council process. Denver plans to allocate Round 2 funding in fall 2021.

Broader Federal Funding Strategy

Federal recovery funds are a vital component to the City's financial response to the COVID-19 emergency. As the City experienced unprecedented declines in tax revenue and subsequent reductions in outlays for services and programs in both 2020 and 2021, these funds have helped Denver weather the worst impacts of the pandemic and provide favorable conditions for a robust recovery. The City's fundamental approach is to prioritize community needs around life and safety and to direct those expenses to the most restrictive of funding sources, thereby maintaining funding capacity for broader impacts from the emergency, such as helping individuals, households, businesses, and nonprofit organizations recover from the economic fallout from the emergency. That is because some federal funding sources only reimburse for items that are closely tied to the preservation of life and safety, such as personal protective equipment (PPE) or emergency shelter expenses, while others are broader in scope and application. Keeping those latter sources open for a more flexible response – whether that be through small-business grant programs, childcare assistance, or the provision of transportation when residents are hesitant to use public buses and trains – is contingent on first maximizing the more restrictive categories of funding. This strategy is depicted in the figure below, which demonstrates the order or progression from most to least restrictive funding source.

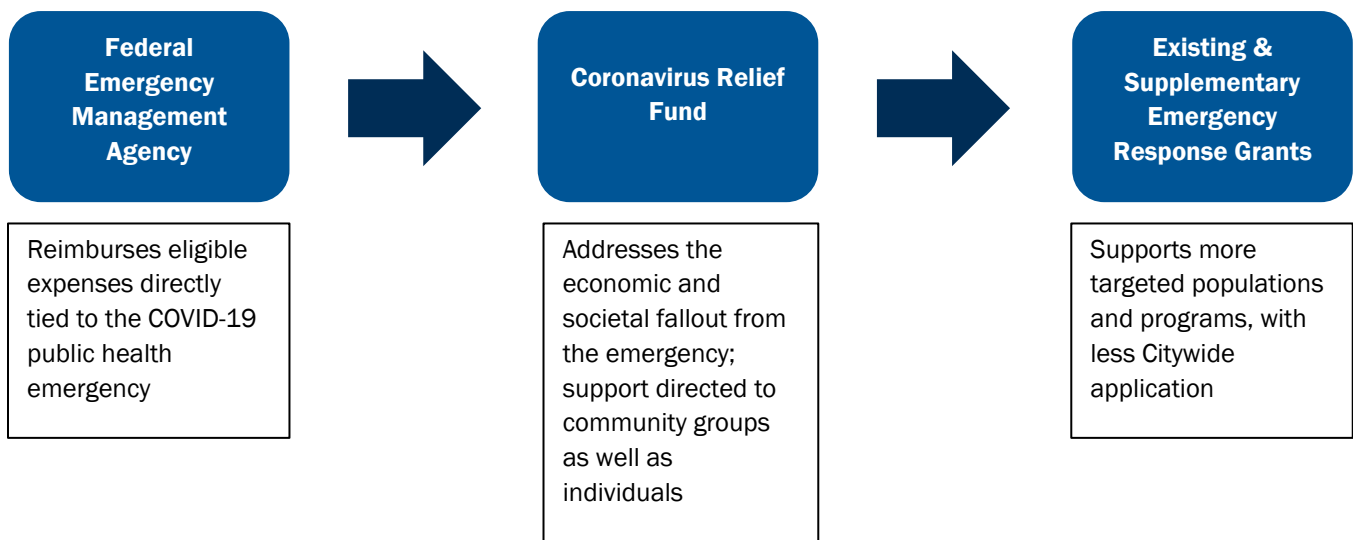


Figure 10: Denver's progression of federal funding deployment

As the graphic indicates, Denver has adopted a strategy of using Federal Emergency Management Agency (FEMA) public assistance funding first. This grant program continues to provide vital support for sheltering people experiencing homelessness; the provision of personal protective equipment, emergency operations center expenses; community testing; vaccine administration; support to the local public safety net hospital system; and emergency needs at Denver International Airport. All of these uses fit squarely in the category of emergency expenses that preserve and protect lives, which is why FEMA funds were pursued from an early stage.

However, not every community need is life and safety driven. Businesses and nonprofits have struggled to keep their doors open amid the economic fallout from the crisis; families have struggled to afford nutritious food; renters have fallen behind on their monthly payments, including those for utilities; and educational programming for Denver's youth has been severely disrupted amid social distancing requirements. These are just a sample of community needs met with funding from the Coronavirus Relief Fund (CRF) program, which are detailed in the figure below. The City recognizes that the pandemic has impacted everyone in different ways, which is why Denver has prioritized using these funds on a diverse array of projects, each of which tackles pandemic-related issues from a different angle. To meet these diverse needs, Denver provided CRF funding through separate project allocations to 19 City agencies and departments. Because this funding source is timebound, with a program end date of December 31, 2021, Denver prioritized the deployment of these monies over funds from other emergency response grant programs, which often have longer implementation periods.

Denver's Phased CRF Deployment

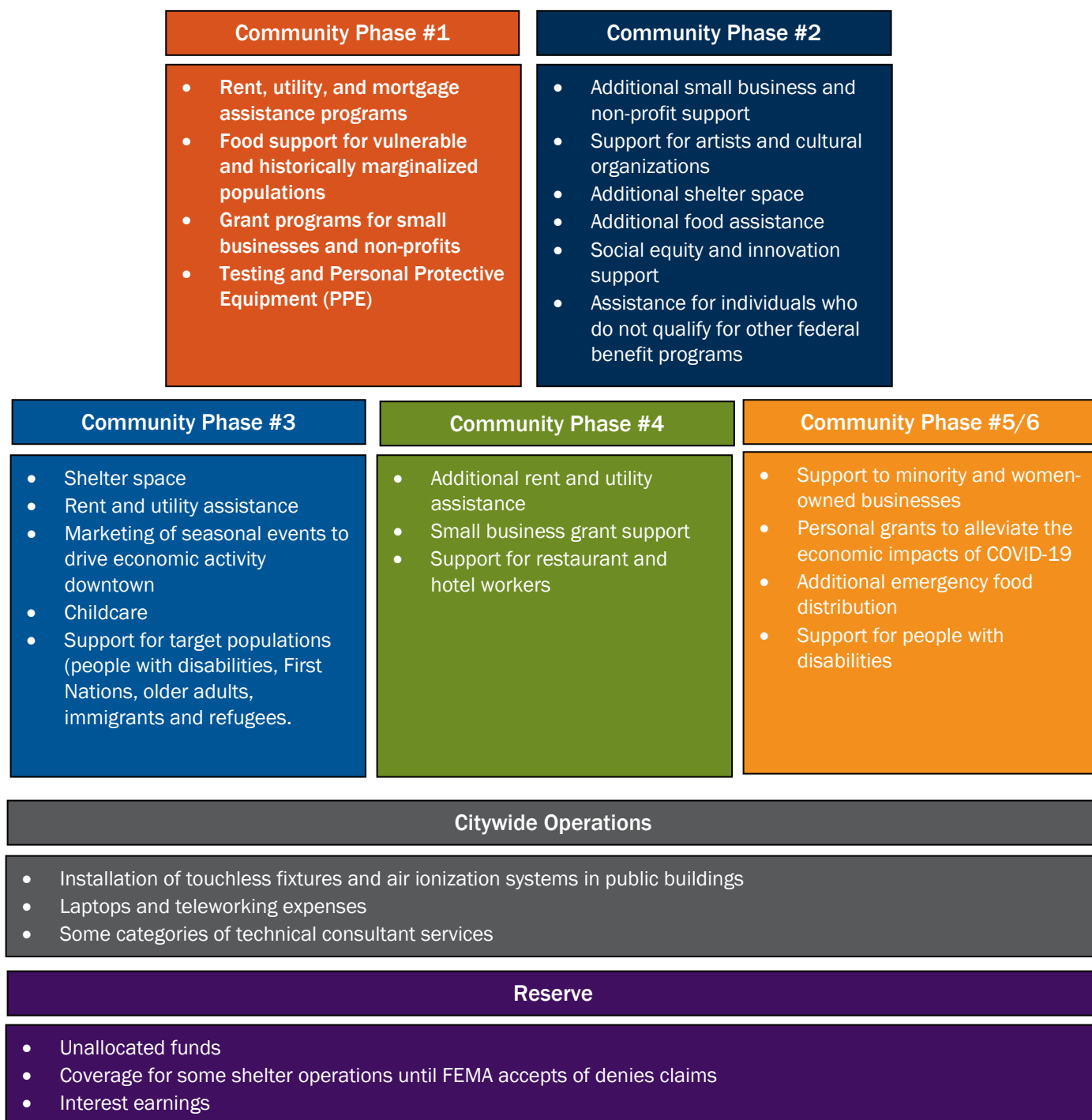


Figure 11: Non-exclusive sample of CRF disbursements

Finally, the third source of recovery funding that Denver has received includes more targeted grant programs that have a specific allocation to a given program area or target population. To date, Denver has received 43 grants, 37 which are derived from federal programs, either directly or passed through the State. These grants typically have a narrower application and are often delivered as supplements to pre-existing federal grant programs such as Head Start, the Community Development Block Grant and the Emergency Solutions Grant. A notable exception is the Emergency Rental Assistance Program—Denver is a direct recipient of this funding and is currently in the process of implementing its Round 1 and Round 2 allocations, which will provide relief to those struggling with rental and utility bills.

In summary, Denver’s approach is strategic, organized, and effective. It considers the relative restrictiveness of the funding source as well as the time frame before expiration, thereby producing an approach that maximizes impact. We look forward to adding the State and Local Fiscal Recovery Funds to the mix of sources to power Denver’s recovery in the years to come.

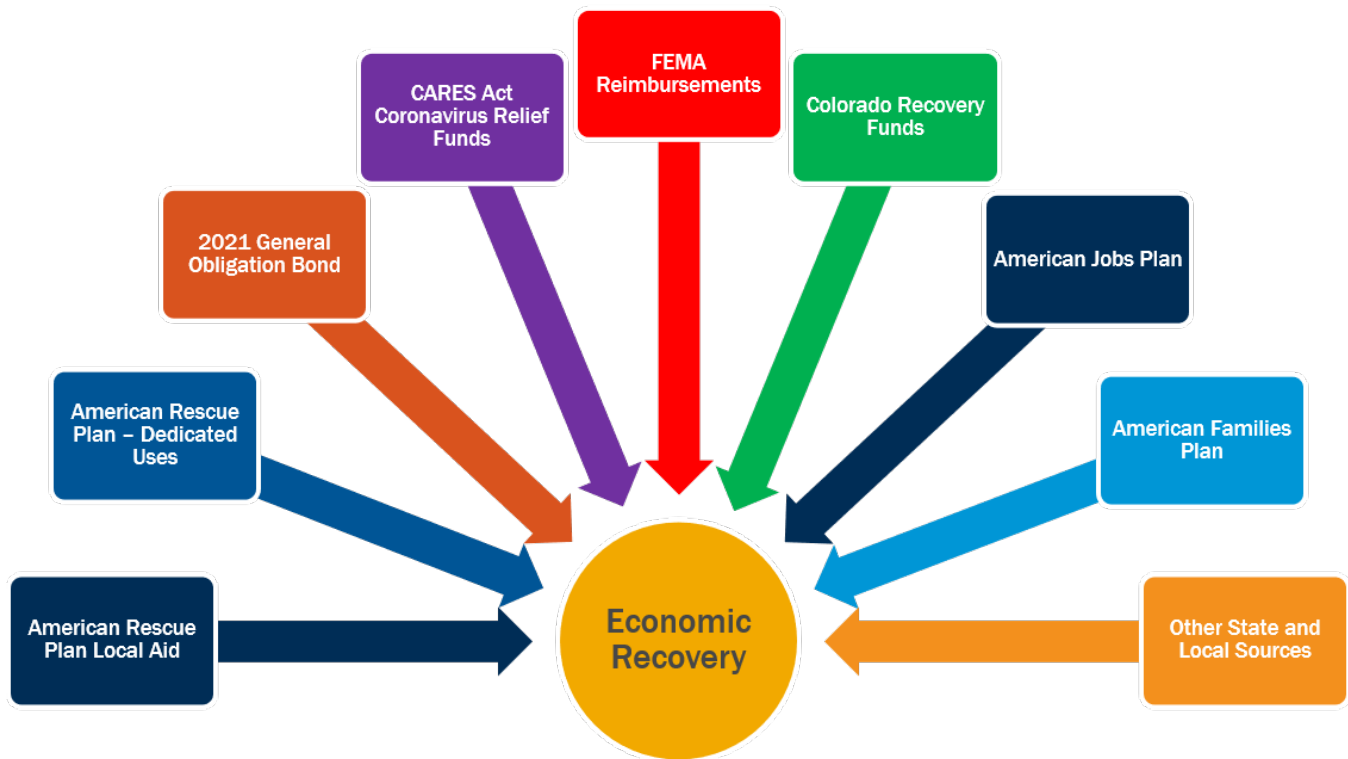


Figure 12: Denver’s potential federal, state, and local stimulus funding sources

LABOR PRACTICES

Any infrastructure projects pursued with ARPA funds will reflect workforce practices that follow strong labor standards. All projects will conform with the City's ordinances including those adopted to level the field for disadvantaged businesses, workers, and residents of Denver's entire community. Current wage policies and social programs include:



Local Minimum Wage Law

In 2019, as soon as the Colorado General Assembly enacted a new statute permitting local governments to set a jurisdiction-wide minimum wage higher than the state minimum wage, Denver City Council adopted a local minimum wage law that applies to all workers performing work in the geographical boundaries of the City after January 1, 2020.

Prevailing Wage

Denver city ordinance requires any contractor or subcontractor at any tier who performs construction, alteration, improvements, repairs, maintenance, or demolition of any City-owned or leased building on any City-owned land, pursuant to a contract by or on behalf of the City, or for any agency of the City, or financial in whole or part by the City to pay its employee working on those projects not less than the appropriate prevailing wage as determined by the Denver Office of Human Resources for the work performed.

Minority/Women Business Enterprise Goals Program

The City's Minority/Women Business Enterprise (M/WBE) utilization program will require any qualified project funded to meet the required goals of participation of minority-owned, woman-owned, and small-business enterprises in construction, professional design, and construction services contracts.

Denver Construction of Careers Pilot Program (DCCP)

This three-year pilot workforce development program is currently being implemented with the goal of bolstering access to sustainable construction careers. The City chose to implement the workforce development requirements on its marquee projects, which cost over \$10 million, including arts and cultural venues, as well as other critical infrastructure. To date, 9,322 construction workers with an average wage of \$31 per hour have access to the program. Additionally, 4,334 construction workers were hired to support these projects at the City's most iconic venues and facilities, such as the Denver International Airport Great Hall, Denver Zoo, the Denver Art Museum and the Denver Botanic Gardens. Requirements of the program include:



- Requiring the prime contractor to designate a workforce coordinator that will partner with City staff to implement workforce development goals

- Conducting impactful outreach and engagement to priority populations that have been historically disenfranchised, such as veterans, justice-involved individuals, public assistance recipients, people who are unhoused, persons with histories with foster care, and residents of priority neighborhoods
- The contractor must employ registered apprentices for a minimum of 15 percent of the overall construction hours on the project. Within that 15 percent of registered apprentice hours on a project, additional subgoals state that 25 percent of the overall construction hours must be performed by apprentices from the priority populations and by first-year apprentices to ensure new registered apprentices have access to work on City projects.



The City has also made an over \$2 million investment in a workforce development platform called WORKNOW, which serves as the organizing body for collaborative efforts to attract new workers to the industry, provide training and supportive services to keep them engaged, and offer upskilling so workers can pursue career promotions and wages that allow them to thrive.

USE OF EVIDENCE

Denver is committed to supporting interventions that are evidence-based; however, the ARPA allocation has not yet been used to support programs that would support the community. A determination on whether specific projects will feature evidence-based interventions and/or rigorous program evaluations will be forthcoming. The City and County of Denver intends to provide detailed evidence information should either action be pursued. In addition, the City intends to provide further information around this section once a greater number of community investments are approved for implementation.

TABLE OF EXPENSES BY EXPENDITURE CATEGORY

	Category	Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	\$0	\$0
1.2	COVID-19 Testing	\$0	\$0
1.3	COVID-19 Contact Tracing	\$0	\$0
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	\$0	\$0
1.5	Personal Protective Equipment	\$0	\$0
1.6	Medical Expenses (including Alternative Care Facilities)	\$0	\$0
1.7	Capital Investments or Physical Plant Changes to Public Facilities that Respond to the COVID-19 Public Health Emergency	\$0	\$0
1.8	Other COVID-19 Public Health Expenses (Including Communications, Enforcement, Isolation/Quarantine)	\$0	\$0
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	\$0	\$0
1.10	Mental Health Services	\$0	\$0
1.11	Substance Use Services	\$0	\$0
1.12	Other Public Health Services	\$0	\$0
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs	\$0	\$0
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	\$0	\$0
2.3	Household Assistance: Cash Transfers	\$0	\$0
2.4	Household Assistance: Internet Access Programs	\$0	\$0
2.5	Household Assistance: Eviction Prevention	\$0	\$0
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	\$0	\$0
2.7	Job Training Assistance (e.g., Sectoral Job-Training, Subsidized Employment, Employment Supports or Incentives)	\$0	\$0
2.8	Contributions to UI Trust Funds*	\$0	\$0
2.9	Small Business Economic Assistance (General)	\$0	\$0
2.10	Aid to Nonprofit Organizations	\$0	\$0
2.11	Aid to Tourism, Travel, or Hospitality	\$0	\$0
2.12	Aid to Other Impacted Industries	\$0	\$0
2.13	Other Economic Support	\$0	\$0
2.14	Rehiring Public Sector Staff	\$0	\$0


	Category	Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning	\$0	\$0
3.2	Education Assistance: Aid to High-Poverty Districts	\$0	\$0
3.3	Education Assistance: Academic Services	\$0	\$0
3.4	Education Assistance: Social, Emotional, and Mental Health Services	\$0	\$0
3.5	Education Assistance: Other	\$0	\$0
3.6	Healthy Childhood Environments: Child Care	\$0	\$0
3.7	Healthy Childhood Environments: Home Visiting	\$0	\$0
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System	\$0	\$0
3.9.	Healthy Childhood Environments: Other	\$0	\$0
3.10	Housing Support: Affordable Housing	\$0	\$0
3.11	Housing Support: Services for Unhoused Persons	\$0	\$0
3.12	Housing Support: Other Housing Assistance	\$0	\$0
3.13	Social Determinants of Health: Other	\$0	\$0
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators	\$0	\$0
3.15	Social Determinants of Health: Lead Remediation	\$0	\$0
3.16	Social Determinants of Health: Community Violence Interventions	\$0	\$0
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	\$0	\$0
4.2	Private Sector: Grants to Other Employers	\$0	\$0
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized Wastewater Treatment	\$0	\$0
5.2	Clean Water: Centralized Wastewater Collection and Conveyance	\$0	\$0
5.3	Clean Water: Decentralized Wastewater	\$0	\$0
5.4	Clean Water: Combined Sewer Overflows	\$0	\$0
5.5	Clean Water: Other Sewer Infrastructure	\$0	\$0
5.6	Clean Water: Stormwater	\$0	\$0
5.7	Clean Water: Energy Conservation	\$0	\$0
5.8	Clean Water: Water Conservation	\$0	\$0
5.9	Clean Water: Nonpoint Source	\$0	\$0
5.10	Drinking water: Treatment	\$0	\$0
5.11	Drinking water: Transmission & Distribution	\$0	\$0

	Category	Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.12	Drinking water: Transmission & Distribution: Lead Remediation	\$0	\$0
5.13	Drinking water: Source	\$0	\$0
5.14	Drinking water: Storage	\$0	\$0
5.15	Drinking water: Other Water Infrastructure	\$0	\$0
5.16	Broadband: “Last Mile” Projects	\$0	\$0
5.17	Broadband: Other Projects	\$0	\$0
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	\$0	\$0
7	Administrative and Other		
7.1	Administrative Expenses	\$0	\$0
7.2	Evaluation and Data Analysis	\$0	\$0
7.3	Transfers to Other Units of Government	\$0	\$0
7.4	Transfers to Nonentitlement Units (States and Territories only)	\$0	\$0

The City received approval from the Denver City Council for a first round of programs on July 19, 2021 and the approval went into effect on July 23, 2021. Since that approval, the City did not incur any expenses before July 31. Information regarding approved programs is included in the project inventory.

PROJECT INVENTORY

Project	Funding Amount	Project Expenditure Category	Use of Evidence-Based Interventions	Description	Intended Delivery Mechanisms	Timeline	Outcomes
Restoring City Workforce	\$43,676,099	6.1	No evidence-based evaluation will be conducted	Restoration of mission-critical positions, goods and supplies eliminated through prior budget reductions; elimination of furlough days originally required of City employees in 2021.	Hiring of positions; execution/resumption of contracts; and purchase of critical goods; elimination of furlough days	7.19.21-12.31.21	See performance report section for more detail
Addressing Workload	\$2,383,089	6.1	No evidence-based evaluation will be conducted	Addresses severe workload increases driven by backlogs or other demands on City services.	Hiring of positions; execution/resumption of contracts	7.19.21-12.31.21	See performance report section for more detail
Administrative Expenses	\$114,448	7.1	No evidence-based	Positions to support the financial	Hiring of positions	7.19.21-12.31.21	Reporting deadlines met; successful compliance with SLFRF compliance



			evaluation will be conducted	administration of ARPA funding and communications support			guidelines; awareness by public and elected officials of use of SLFRF funds
Administrative Expenses	\$35,007	7.2	No evidence-based evaluation will be conducted	Position to support data analysis	Hiring of position	7.19.21-12.31.22	Analytical reports generated

ADDITIONAL PROJECTS

Performance Report

Project	Outputs	Key Performance Indicators		Outcomes – Long-Term Policy Changes	Anticipated Impacts – Longer Term
		Outcomes – Short Term Changes	Outcomes – Intermediate Behavioral Changes		
Restoring City Workforce	Funding allocated, hires made; backlogs reduced, processing/turn-around times met; number of total closures of City facilities (impact to access to services); number of employees impacted	Increased access to services; more equitable access to City services; reduction in total City closure days	Increase in citizen satisfaction with government services	Bring back and enhance lost jobs; create new jobs	Strong, inclusive, and equitable recovery
Addressing Workloads	Staff hired; backlogs reduced; processing/turn-around times met; deadlines met	Increase in equitable access to services; jobs created; construction projects completed	Increase in citizen satisfaction with government services	Invest in individual support in targeted communities	Strong, inclusive, and equitable recovery