

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: November 23, 2020

Please mark one: **Bill Request** or **Resolution Request**

1. Type of Request:

- Contract/Grant Agreement** **Intergovernmental Agreement (IGA)** **Rezoning/Text Amendment**
 Dedication/Vacation **Appropriation/Supplemental** **DRMC Change**
 Other: New Special Revenue Fund

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Establishes the Homelessness Resolution Special Revenue Fund to receive sales tax revenue for the administration of the Homelessness Resolution program, per Article VII of Chapter 27 of the DRMC, as amended through Referred Measure 2B in the November 2020 election, and appropriates \$37,128,521 to said fund for 2021.

3. Requesting Agency: Department of Finance, Budget and Management Office

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Britta Fisher	Name: Rachel Bardin
Email: Britta.Fisher@denvergov.org	Email: Rachel.Bardin@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

In November 2020, Denver voters approved Referred Measure 2B, which increased the sales tax rate by 0.25% starting January 1, 2021 to be spent on capital improvements, operations and maintenance, and services; new or renovated housing, rental assistance or supportive services; new or existing shelter capacity, improvement, operations, services and accessibility for those experiencing homelessness including underserved populations; other services or supports for those experiencing homelessness, including those who are unsheltered; and administration costs (capped at 8% of revenue received in the fund in that year).

This bill request establishes the Homelessness Resolution Special Revenue Fund, Fund Number 16813, in the Community Development Series, to receive the sales tax revenue from the incremental increase in the sales tax rate of 0.25% and to administer the program. The fund will be appropriated and non-lapsing. The expending authority is the Executive Director of the Department of Housing Stability. This bill request also appropriates \$37,128,521 for 2021. A five-year plan for uses of the revenue generated in the Homelessness Resolution Fund will be submitted to City Council for approval.

A cap on administrative costs will be applied per Article VII of Chapter 27 of the DRMC.

Revenues in this fund may also be used for capital improvements, and will be transferred to a new Capital Projects Fund for that purpose. It is anticipated that creation of that new fund will be occur later in 2021.

The Climate Protection Fund and the Homelessness Resolution Fund have the same tax rate (0.25%) as the Parks Legacy Fund and the Caring for Denver sales tax initiatives. These existing funds informed the projections for the two new sales tax initiatives approved by voters in November 2020. The 2021 revenue assumptions were formulated in August 2020 and did not assume a COVID-19 resurgence but rather a gradual, prolonged recovery. The City has not revised the revenue projections for 2021, but will be monitoring the impact of the new public health measures on the economy. Once economic data is available to inform the revenue impact the City could experience, the Department of Finance will consider revising the revenue estimates. The impacts of this resurgence of COVID cases are likely to impact both our 2020 and our 2021 revenue estimates.

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: BR20 1412

Date Entered: _____

6. City Attorney assigned to this request (if applicable):

7. City Council District: All

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: BR20 1412

Date Entered: _____