



---

# 2021 COVID-19 Spending Updates: Federal Funding

Budget and Policy Committee | Feb. 25, 2021

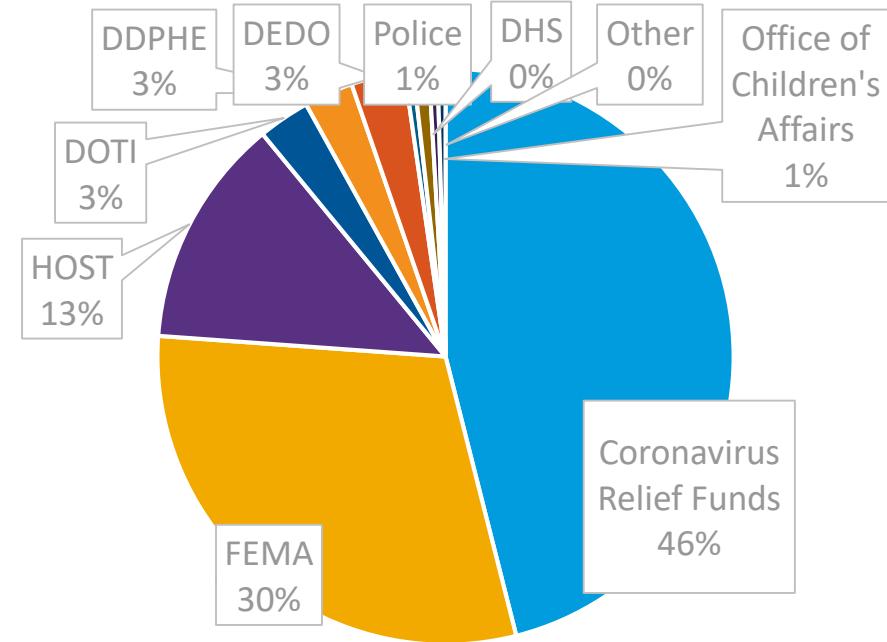
# Agenda

- Federal Funding Overview
- 2021 FEMA Update
- Shelter Update
- December 2020 Relief Bill Overview
- America's Rescue Plan - Proposed Stimulus Update
- Questions

# Covid-19 Cumulative Grant Funding

35 grants (2 citywide) among 14 agencies, totaling \$548M

Agency	Amount
Airport	269,073,999.00
CRF	128,538,190.70
FEMA	83,994,943.70
HOST	36,014,778.32
DOTI	8,133,028.00
DDPHE	7,679,278.73
DEDO	8,395,986.08
Other	6,361,177.00
<b>TOTAL</b>	<b>\$548,191,381.53</b>



# Federal Funding Update – Primary Funding Streams

## Coronavirus Relief Fund (CRF) - \$127M

- \$127M allocation from Treasury (authorized by CARES Act for State and Local governments)

## FEMA - \$44M\* (Approved)

- \$35.4M initial expedited claim
- \$8.8M claim for testing

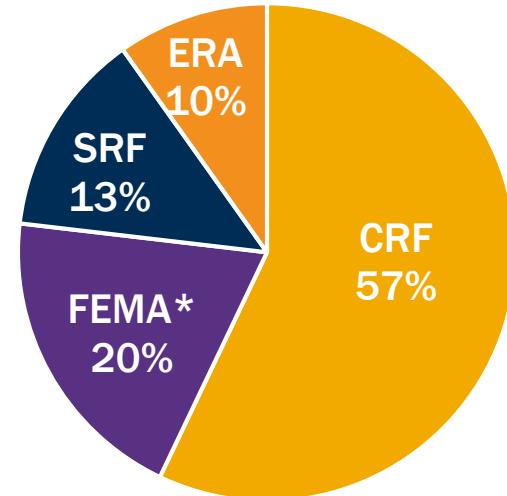
## COVID Emergency Response Special Revenue Fund (SRF) \$29.6M

- \$10M General Fund contingency
- \$17M TABOR Reserve transfer
- \$2.65M Supplemental

## Emergency Rental Assistance (ERA) \$21.9M

- \$21.9M allocation Treasury by Combined 2021 Appropriations and Covid-19 Relief Act

Funding Sources: \$222.5M

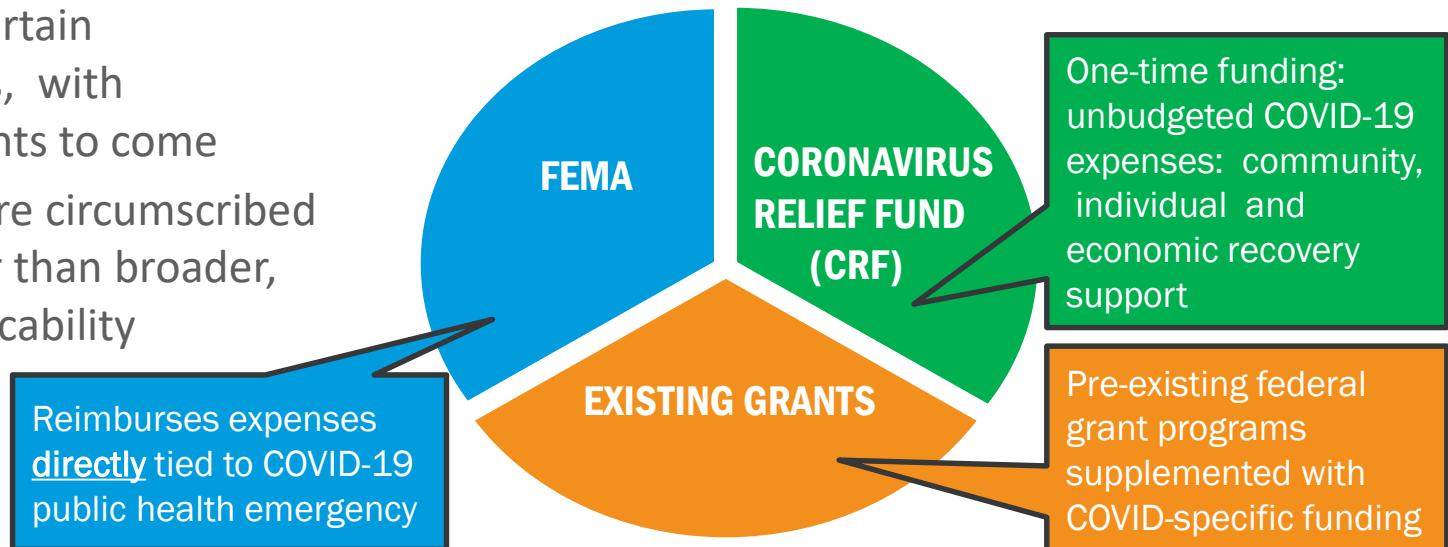


\*Only includes approved FEMA funding totaling \$44M and does not include additional pending FEMA requests.

# Federal Funding Deployment Strategy

## FEMA First Approach: FEMA → CRF → Existing Grants

- FEMA can advance partial payment in certain circumstances, with reimbursements to come
- FEMA has more circumscribed usages, rather than broader, citywide applicability



# CRF Disbursements Status

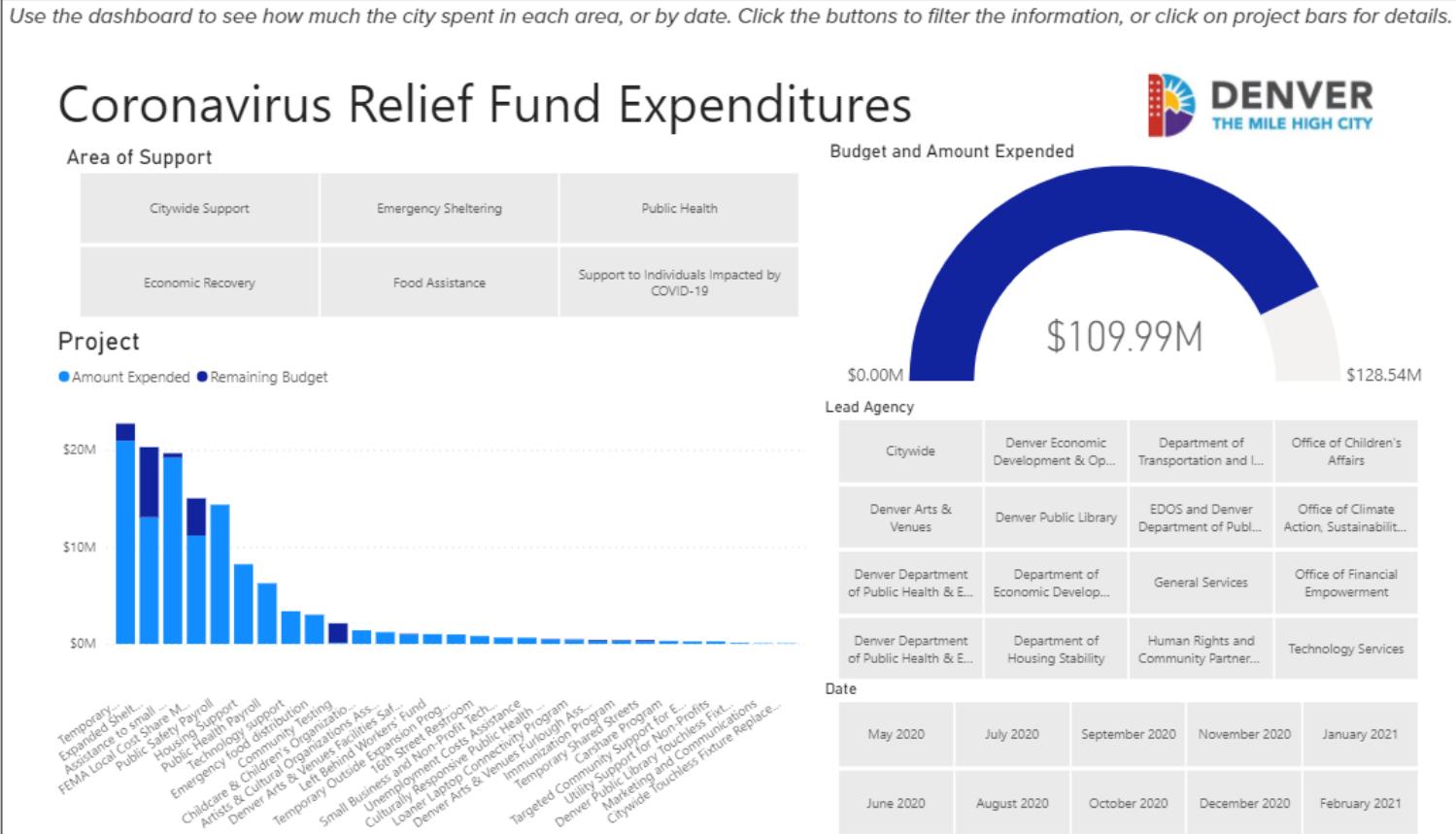
Phase #1 Release Date: May 19 (\$18.20M)	Phase #2 Release Date: Mid-August (\$26.52M)	Phase #3 Release Date: Mid-October (\$12.52M)	Phase #4 Release Date: Mid-Dec. (\$4.52M)	City Operations (\$41.20M)	Reserve (\$23.93M)
<ul style="list-style-type: none"><li>Rent, utility and mortgage assistance programs</li><li>Food support for vulnerable populations</li><li>Grant programs for small businesses and non-profits</li><li>Testing &amp; PPE</li></ul>	<ul style="list-style-type: none"><li>Additional small business and non-profit support</li><li>Support for artists and cultural orgs.</li><li>Additional shelter space</li><li>Additional food assistance</li><li>Social equity and innovation support</li><li>Left behind workers</li></ul>	<ul style="list-style-type: none"><li>Shelter space</li><li>Rent and utility assistance</li><li>Support for non-profits</li><li>Marketing of seasonal events to drive economic activity downtown</li><li>Childcare</li><li>Support for target populations (disabled, Native Americans, faith community, older adults, immigrants &amp; refugees)</li></ul>	<ul style="list-style-type: none"><li>Additional rent and utility assistance</li><li>Small business grant support</li><li>Support for restaurant and hotel workers</li></ul>	<ul style="list-style-type: none"><li>Accommodates some categories of payroll expenses (public health and safety employees, unemployment, paid sick leave)</li><li>Make public buildings safe</li><li>Laptops, teleworking expenses</li><li>Some categories of technical consultative services</li><li>FEMA cost share (25% local match)</li></ul>	<ul style="list-style-type: none"><li>Reserve</li><li>Coverage for some shelter operations until FEMA accepts/denies claim submitted in mid-September</li></ul>

# CRF Initial Outcomes of Investments- sampling

Housing Support	Emergency Sheltering	Economic Recovery	Individual Support	Food Assistance	City Operations	Public Health
<ul style="list-style-type: none"><li>Over 1,300 unique households served through TRUA</li><li>Nearly 30 unique households provided mortgage assistance</li><li>Over 130 people enrolled in rehousing voucher program, including 52 people housed</li></ul>	<ul style="list-style-type: none"><li>237 hotel rooms to shelter women and transgender guests</li><li>Over 550 beds between the expanded Lawrence St. Shelter and a new 48th St. Shelter</li><li>Interim emergency shelter at 14<sup>th</sup>/ Elati, overflow at recreation centers (as needed)</li></ul>	<ul style="list-style-type: none"><li>More than \$11.5M distributed to small businesses through nearly 2,000 grants</li><li>Includes \$3.8M distributed through 805 grants as part of the NEST Small Business Fund</li><li>Nearly \$3.4M distributed to non-profits through 300 grants</li></ul>	<ul style="list-style-type: none"><li>743 \$1,000 grants awarded through the Left Behind Workers Fund</li><li>More than 230 artists awarded \$1,000 grants</li><li>400 laptops and hotspots made available to unemployed individuals through DPL</li></ul>	<ul style="list-style-type: none"><li>Over 80 grants distributed to 6 different food pantries</li><li>Estimated 39 million meals served to 2.8 million individuals (some duplicated at multiple locations)</li></ul>	<ul style="list-style-type: none"><li>1,600 new laptops provided to City employees to allow for remote work and a continuation of city services</li><li>Touchless fixtures and air ionization upgrades to CCC, as well as Ellie, Buell and Boettcher theaters.</li><li>Eligible payroll</li></ul>	<ul style="list-style-type: none"><li>6,800 PPE kits for small businesses and non-profits</li><li>3,783 immunizations given to over 3540 adults and children to immunize for the flu, pertussis, hep A, hep B, HPV, polio, meningococcal, MMR, varicella, and pneumococcus</li><li>Testing costs</li></ul>

As of December 2020

CRF  
Dashboard  
online at  
Denver's  
COVID-19  
response  
and plans  
website



# FEMA Reimbursement Updates

On Jan. 21, 2021 and Feb. 2, 2021, President Biden issued new executive memorandum instructing FEMA to provide 100% reimbursement (as opposed to 75%) for allowable uses under the Public Assistance Grant Program.

The memos:

- Waive the 25% non-federal share for FEMA Category B public assistance related to the COVID national emergency.
- Include retroactive eligibility from Jan. 20, 2020 through Jan. 20, 2021.

# FEMA Reimbursement Updates

- The 100% reimbursement decision ensures Denver will be able to fully recover our eligible expenses from COVID-19 and will not have to shoulder the 25% match required previously.
- Prior to this action, the City had covered the 25% match (approximately \$15 million) with our Coronavirus Relief Funds.
- The \$15 million previously reserved for the 25% FEMA match will be reprogrammed to continue emergency shelter operations through 2021, which require substantial funds.

# FEMA Reimbursement: Future Actions

The City will continue to direct FEMA funds toward Emergency sheltering measures to protect Denver's unhoused populations.

- Funds are required to support emergency shelter contracts. Anticipated costs from Jan.-June are \$40 million to continue providing 24/7 shelter and services, temporary auxiliary shelters, and approximately 1,000 non-congregate protective action hotel rooms
- FEMA is expected to reimburse these costs, but in the interim, a combination of CRF (including the \$15M held as FEMA match), the City's Emergency SRF, and HOST's 2B fund will temporarily accommodate expenses until FEMA supplies a new total obligated amount. Then, expenses will be transferred to FEMA, restoring budget capacity in the aforementioned funds
- The city is working with FEMA Region 8 and the Colorado Division of Homeland Security and Emergency Management to expedite review and reimbursement at the local level.

# Status of FEMA Approvals

Category	FEMA Obligation at 75%	FEMA Obligation at 100%	Amount assuming pending and upcoming submissions	Category	FEMA Obligation at 75%/ at 100%
Shelter	\$20.4M	\$27.3M	\$121.4	DEN	\$4.1M/\$5.4M
PPE	\$12.1M	\$16.1M	N/A	DHHA	\$37.7M/\$50.2M
Testing	\$8.8M	\$11.7M	\$17.1M		
EOC Expenses	\$2.8M	\$3.7M	N/A		
Vaccinations	N/A		\$6.3M submitted 2/24		
<b>CITY TOTAL</b>	<b>\$44.1M</b>	<b>\$58.8M</b>	<b>\$144.8M</b>		

# FEMA Shelter Evolution with 100% FEMA

## Approved FEMA Shelter Capacity –Initial Version Request

Obligated Total: \$27,300,499

Approval: May 2020

Covers expenses: April-August 2020

## Pending FEMA Shelter Capacity – Version Request #1

Obligated Total: \$33,166,163

Anticipated Approval: March 2021

Covers expenses: Sept-Dec 2020

## Upcoming Version Request #2

Obligated Total: \$40,000,000

Possible Approval: Q2 2021

Covers expenses: Jan-June 2021

## New Auxiliary Facilities Shelter Submittal (New 48<sup>th</sup>, Law. St, Safe Outdoors Spaces)

Obligated Total: \$20,935,242

Possible approval: Q2 2021

Covers expenses: Sept 2020-June 2021

# Covid-19 Relief Bill Recap

A bill passed on Dec. 27 granted more support and extended CRF until Dec. 31, 2021. No new funding was provided for state and local jurisdictions. Key Highlights:

- \$310B for small business support
- \$166B for direct payments/stimulus checks
- \$120B for unemployment insurance
- \$60B for schools
- \$25B for rental and utility assistance
  - **\$21.8M for CCD (only direct allocation)**
- \$22B for testing & tracing
- \$15B for live venues and cultural institutions
- \$14B for transit
- \$13B for increased SNAP benefits
- \$10B for childcare
- \$10B for highways
- \$9B for vaccine distribution
- \$4.5B for mental health funding
- \$2B for airports
- \$250M for Head Start

# Summary of Biden's America Rescue Plan

This bill is currently under-consideration by Congress. The White House and Congressional leadership intend to sign the bill prior to the lapse in federal unemployment benefits on Mar. 14.

Select, key highlights:

Proposal Area	Notes
State & Local Aid	\$350B to state and localities; more jurisdictions to receive direct funding; more flexible use vs. CRF
Public Health	Funding for scaled-up testing; vaccination allocations for community & mobile centers; funding for 100K new public health workers; PPE & pandemic supplies; addressing health disparities for underserved populations
Financial Support to Individuals	\$1,400 stimulus checks; enhanced unemployment through 8/29; SNAP benefit increase of 15% through September; possible inclusion of \$15 federal minimum wage
Housing & Shelter	Eviction and foreclosure moratorium through September; additional funding for rental, mortgage and utility assistance; funding for emergency sheltering
Small Business	Additional paycheck protection program funding; economic injury disaster loans; additional shuttered venue support; restaurant revitalization program

# Potential Stimulus

- The House developed bill language for the proposed stimulus, which will advance through Congress as a budget reconciliation process with the intent to pass prior to Mar. 14.
- Funds would be distributed to municipalities within 60 days.
- The stimulus would provide more flexibility with the state and local allocation, as opposed to CRF.
- Specific language and guidance on administration of funds is not available yet.
- The allocation amount has yet to be determined.

# City Process for Potential Stimulus

- The Mayor and the Department of Finance will coordinate with Council President Gilmore to determine a collaborative process with city council around allocation.
- Allocations must balance immediate emergency needs with long-term recovery efforts to support the City's financial condition.
- The proposed stimulus is a one-time allocation and will require thoughtful discussion around impacts to 2022 budget.

# Questions?