

2021 COVID-19 Spending Updates: Federal Funding

Budget and Policy Committee | Feb. 25, 2021

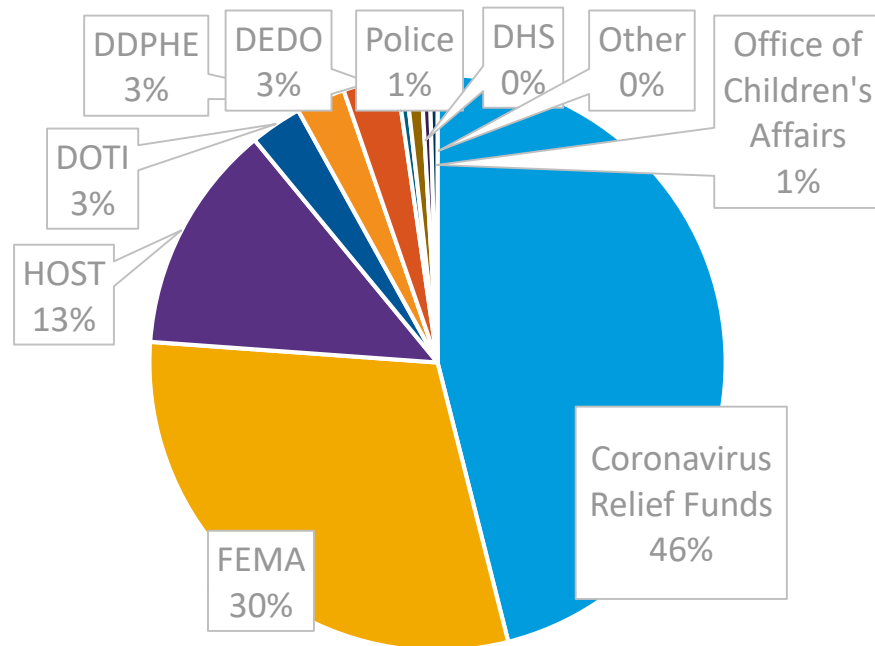
Agenda

- 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
TOTAL	\$548,191,381.53



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

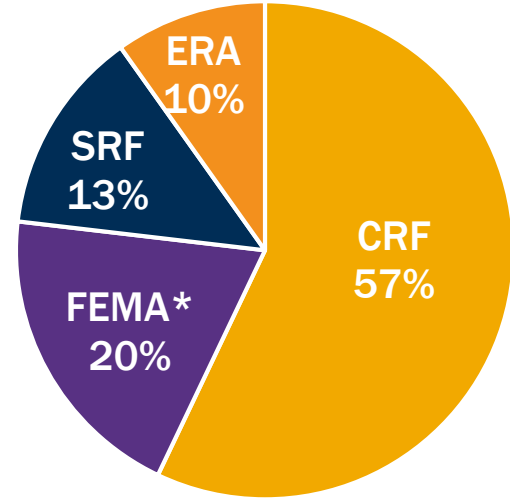
COVID Emergency Response Special Revenue Fund (SRF) \$29.6M

- \$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

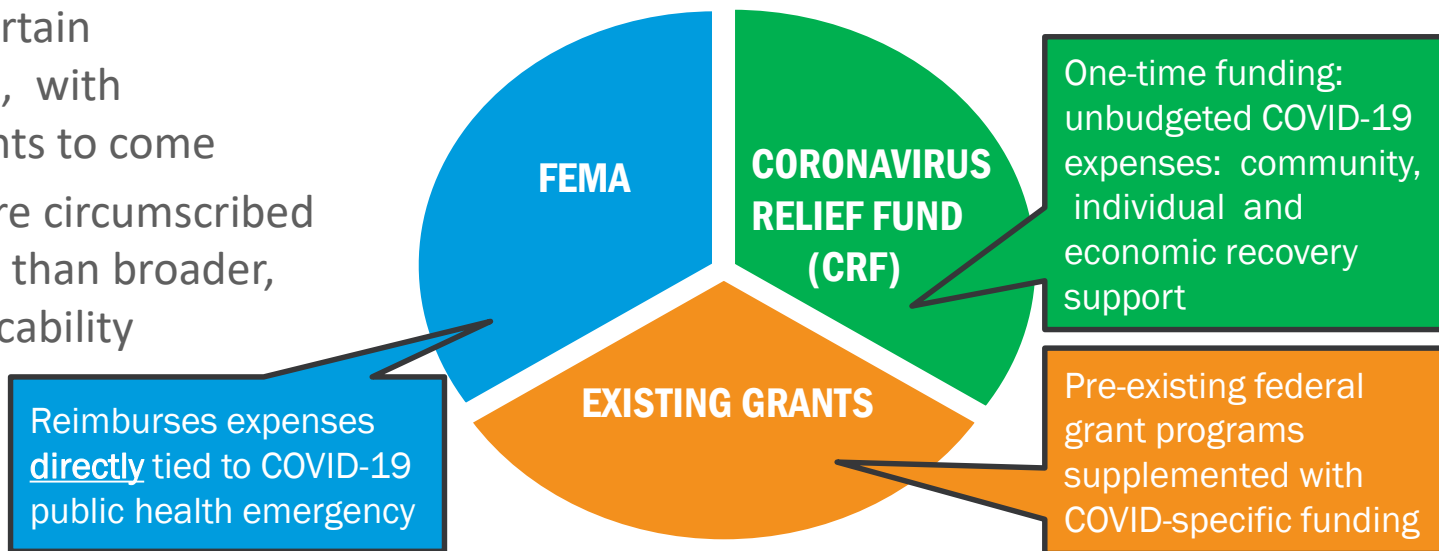


*Only includes approved FEMA funding totaling \$44M and does not include additional pending FEMA requests.

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

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

As of December 2020

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

Use the dashboard to see how much the city spent in each area, or by date. Click the buttons to filter the information, or click on project bars for details.

Coronavirus Relief Fund Expenditures

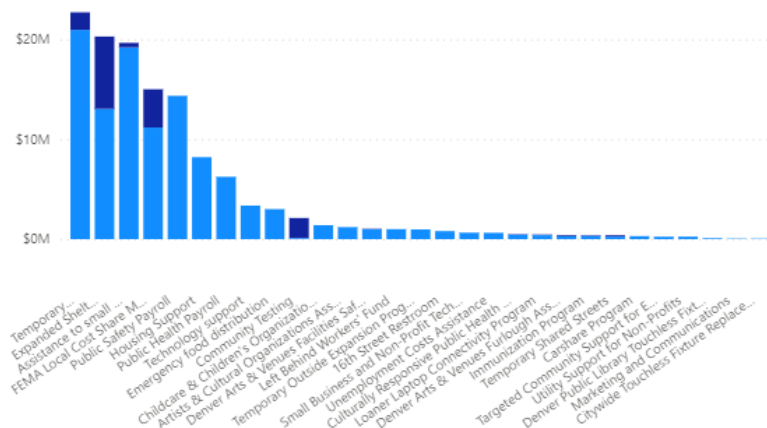


Area of Support

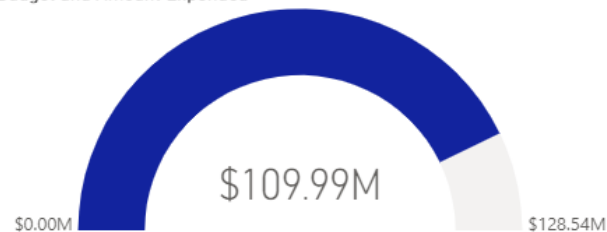
Citywide Support	Emergency Sheltering	Public Health
Economic Recovery	Food Assistance	Support to Individuals Impacted by COVID-19

Project

Amount Expended Remaining Budget



Budget and Amount Expended



Lead Agency

Citywide	Denver Economic Development & Op...	Department of Transportation and L...	Office of Children's Affairs
Denver Arts & Venues	Denver Public Library	EDOS and Denver Department of Publ...	Office of Climate Action, Sustainabil...
Denver Department of Public Health & E...	Department of Economic Develop...	General Services	Office of Financial Empowerment
Denver Department of Public Health & E...	Department of Housing Stability	Human Rights and Community Partner...	Technology Services

Date

May 2020	July 2020	September 2020	November 2020	January 2021
June 2020	August 2020	October 2020	December 2020	February 2021

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		
CITY TOTAL	\$44.1M	\$58.8M	\$144.8M		

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 48th, 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?