



Coronavirus Relief Fund Update & Phase 3 Disbursement

Finance and Governance Committee Briefing

Oct. 20, 2020

Agenda

- Overview
- Coronavirus Relief Fund (CRF) Phases 1 & 2 Recap
- CRF Phases 1 & 2 Status
- CRF Phase 3 Overview
- CRF Phase 3 Proposed Investments
- Next Steps

Overview – Funding the Emergency Response

Coronavirus Relief Fund (CRF):

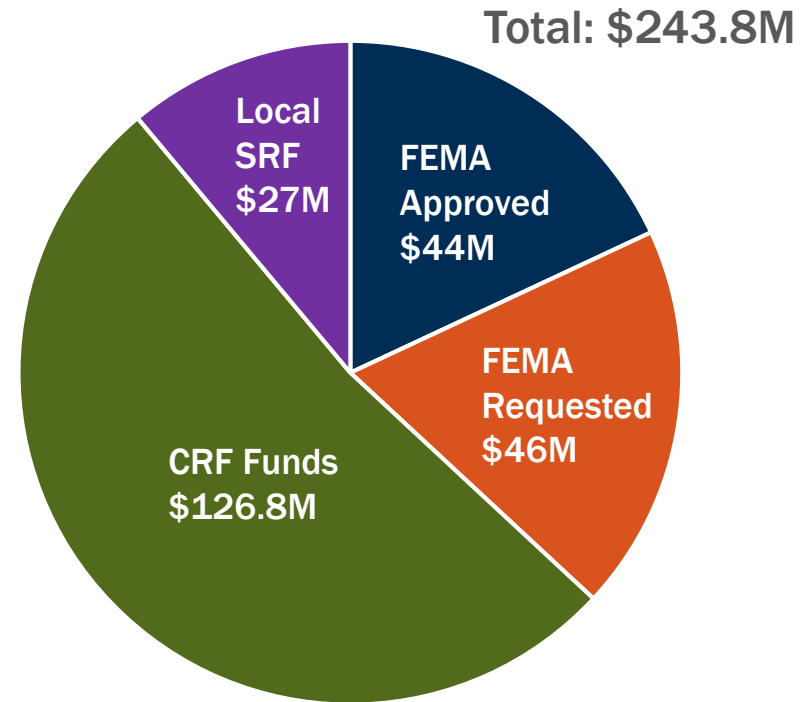
- Unbudgeted COVID-19 expenses
- Spend Date of 12/30/2020

FEMA Funds:

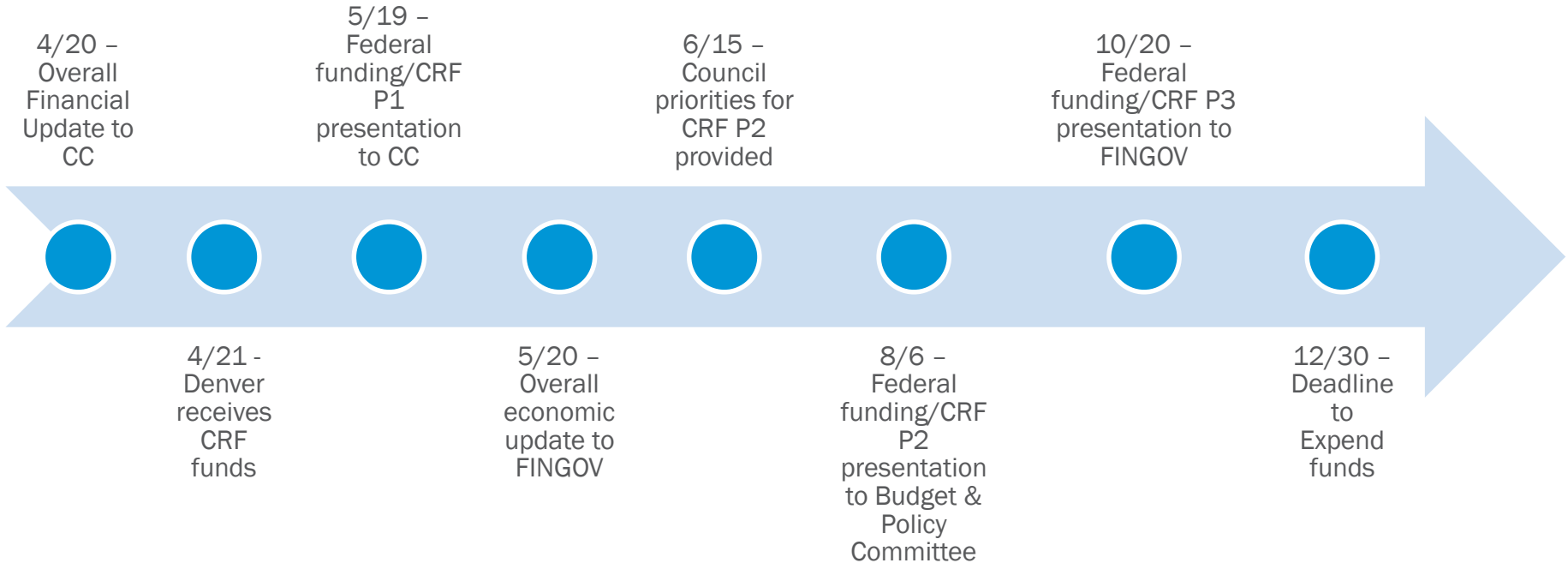
- Reimburses expenses directly tied to public health emergency at **75%**

Coronavirus Response Special Revenue Fund (Local SRF):

- Made up of contingency and TABOR reserve funds
- Citywide emergency response needs



Overview - Coronavirus Relief Fund Timeline



Overview - Coronavirus Relief Fund

- The Coronavirus Aid, Relief and Economic Security (CARES) Act established the \$150 billion Coronavirus Relief Fund (CRF)
- Provides payments to State, Local, and Tribal governments navigating the impact of the COVID-19 outbreak
- Denver received direct allocation of \$126.8M
 - May not be used to replace lost revenue
 - Expenses must be incurred March 1, 2020 to Dec. 30, 2020
 - Guidance updated frequently, most recent update Sept. 2
 - Quarterly reporting on expended and obligated funds required

Overview - Council Priorities

- **Public Health and Safety**, such as widespread testing, PPE, sanitizing equipment, public restrooms
- **Food Supports**, such as food delivery for historically marginalized communities of color, First Nations people, and under-resourced communities
- Grant programs for impacted **non-profits and small businesses**
- **Childcare Support**
- **Left Behind Workers Fund**
- **Housing Assistance**, such as rent, utility and mortgage assistance
- **Services and Shelter** for people experiencing homelessness

CRF Phase 1 Recap

May 19, 2020 | \$20 million | Goal: quick relief

Economic Support \$6.5 million	Housing \$6.5 million	Food \$2 million
<ul style="list-style-type: none">• Grants to non-profits: \$2.0M• Grants to small businesses: \$4.5M	<ul style="list-style-type: none">• Rent and utility assistance: \$4.5M• Mortgage assistance: \$500k• Rapid re-housing: \$1.5M	<ul style="list-style-type: none">• Food delivery to vulnerable populations: \$1.5M• Sanitizing & PPE to food delivery programs: \$500k
Public Health \$5M: \$1.5M PPE for businesses & non-profits; \$2.9M community testing and public health and safety needs; \$535k immunizations for at-risk children & adults; \$70k public health and safety communications		

CRF Phase 2 Recap

Aug. 20 | \$25.7 million | Goal: support broad array of people, organizations, businesses, and public health needs

Economic Support \$10.4M	Shelter \$12M	Food \$1M
<ul style="list-style-type: none">• Support to non-profits: \$2.25M• Small business: \$5.2M• Individuals: \$1.9M• Cultural orgs: \$700k• Children's orgs: \$150k• Economic Recovery: \$150k	<ul style="list-style-type: none">• Emergency Shelter: \$11.975M	<ul style="list-style-type: none">• Emergency Food Distribution: \$1M
Public Health \$2.3M: \$750k PPE for businesses & non-profits; \$800k for downtown public restroom; \$500k for health education in under-served areas; \$97k for Safe Streets initiative; \$200k learning pods for school age children		

CRF Phase 3 Approach

- \$12.6M available to support the community
- Shorter implementation timeframe (2 ½ months)
- City agencies submitted proposals
- **Evaluation Considerations:**
 - Fits City Council priority investment areas
 - Equity focus
 - Able to implement quickly – must expend by 12/30/2020
 - Mindful of ongoing costs and commitments (one-time funding source)
 - Fit with other funds (FEMA, SRF)

CRF Phase 3: Shelter & Housing

* Council Action Necessary

Investment Category	Investment Area	Investment Amount	Specifics
Emergency Shelter	Expanded Support at New 48 th Shelter	\$3,344,230*	Funds cost of construction and equipment, and architectural fees at new 48 th Ave. shelter to ensure completion by year end.
Emergency Shelter	Physical Improvements at existing DHA owned D3 property (formerly Rodeway Inn)	\$2,756,160*	Funds life/safety needs (asbestos mitigation, roof repairs, fire alarm system) at the 92-room DHA owned property to continue interim use as shelter for women and transgender individuals.
Emergency Shelter	Women's Alternative Shelter Operations (Ramada Inn)	\$1,943,724*	Funds contract to continue shelter operations for ~90 women and transgender individuals through year end.
Housing Support	TRUA Program Supplemental Support	\$1,000,000*	Provides housing rental and utility assistance to eligible households. Funding expected to serve 180 additional households.
Emergency Shelter	Interim Shelter Needs	\$260,000	Addresses shelter needs until additional capacity is available at other locations.

CRF Phase 3: Economic Recovery

* Council Action Necessary

Investment Category	Investment Area	Investment Amount	Specifics
Economic Recovery	Support for local organizations working to boost local economic activity in Denver	\$972,500*	Supports efforts to increase local economic activity at local businesses, restaurants, and hotels through advertising and marketing. Efforts include: Restaurant Week, winter events (Parade of Lights, Mile High Tree, Botanic Gardens and Zoo Lights, Christkindl Market, etc.), winter “Business Passbook” with discounts to local businesses/hotels, and other tourism promotions through VISIT Denver, Downtown Denver Partnership.
Economic Recovery	Local NEST Businesses E-Commerce Program	\$150,000	Funding for technical assistance and outreach to small brick and mortar retail stores in NEST neighborhoods without online sales channels to help them get online, manage sales/inventory, provide training, etc.
Economic Recovery	Non-Profit Support	\$750,000*	Additional support for non-profit organizations burdened by the effects of COVID-19.
Economic Recovery	Utility Non-Profit Support	\$250,000	Utility payments for 50 non-profits for the final months of 2020 (Xcel does not offer deferral to organizations).

CRF Phase 3: Economic & Individual Support

Investment Category	Investment Area	Investment Amount	Specifics
Economic Recovery & Individual Support	Children Organizations Grants	\$100,000	Additional support for Phase 2 CARES mini-grants program through OCA due to large community need.
Economic Recovery & Individual Support	Community Childcare	\$300,000	Partnership between OCA and MHUW to support family, friend and neighbor caregiver programs in Montbello, Westwood, and East Colfax.
Economic Recovery & Individual Support	Community Childcare	\$200,000	Partnership between OCA and Denver Early Childhood Council to support local licensed childcare providers.
Economic Recovery & Individual Support	Remote Learning Centers	\$150,000	Funding for Middle School Remote Engagement/Learning Centers.
Economic Recovery & Individual Support	Community Childcare	\$30,000	Funding for Safe In-Person After School Programs for current grantees through OCA.
Economic Recovery & Individual Support	Community Childcare	\$20,000	Funding for winter camps offering care for students during extended school breaks.

* Council Action Necessary

CRF Phase 3: Economic & Individual Support

Investment Category	Investment Area	Investment Amount	Specifics
Economic Recovery	Disability Community Support	\$50,000	Funding for disability impact grants from HRCP to modify homes, facilitate support group meetings, disseminate information, and to transition individuals from skilled nursing facilities to safe, temporary housing.
Economic Recovery	Immigrant & Refugee Community Support	\$50,000	Funding for immigrant and refugee impact grants from HRCP to support virtual listening sessions, translation of COVID-19 materials, and distribute laptops and hotspots.
Economic Recovery	Faith Community Support	\$50,000	COVID-19 recovery funding for houses of worship from HRCP to support a broad information campaign for members of clergy and for virtual re-opening sessions.
Economic Recovery	Native American Community Support	\$50,000	Funding for a COVID-19 information campaign for Native Americans including PSAs, printed collateral material, and social media through HRCP.
Economic Recovery	Senior Support Program	\$50,000	Funding for a Senior Support Program from HRCP, with an emphasis on connecting older adults to technology and internet access.

* Council Action Necessary

CRF Phase 3: Public Health

Investment Category	Investment Area	Investment Amount	Specifics
Public Health	Temporary Shared Streets	\$130,000	Continues Temporary Shared Streets program into November-December

* Council Action Necessary

CRF Phase 3 – Citywide Operations

\$40 million established to fund citywide emergency needs

- FEMA match (\$15M)
- Offset emergency costs (payroll, operations)
- Make public buildings safe
- Work from Home technology and support

Several Phase 3 agency proposals identified for citywide operations funding



CRF Phase 3: Other Proposals – Citywide Operations

Investment Area	Investment Amount	Investment Specifics
COVID-19 Analytics Platform	\$500,000	Funding to consolidate COVID-19-related data sets in a single repository to enable quicker analytic capabilities.
Childcare - OHR	\$200,000	Funding to establish backup child/elder care for essential employees. These hours may be used for dependents in grades 8 and under as well as parents, grandparents, in-laws, and spouses/partners who live in the home and require home medical care. The funds will be used to prepay the hours from Care.com to allow essential city employees to draw from them when care is needed.

CRF Phase 3: Other Proposals – Citywide Operations 2

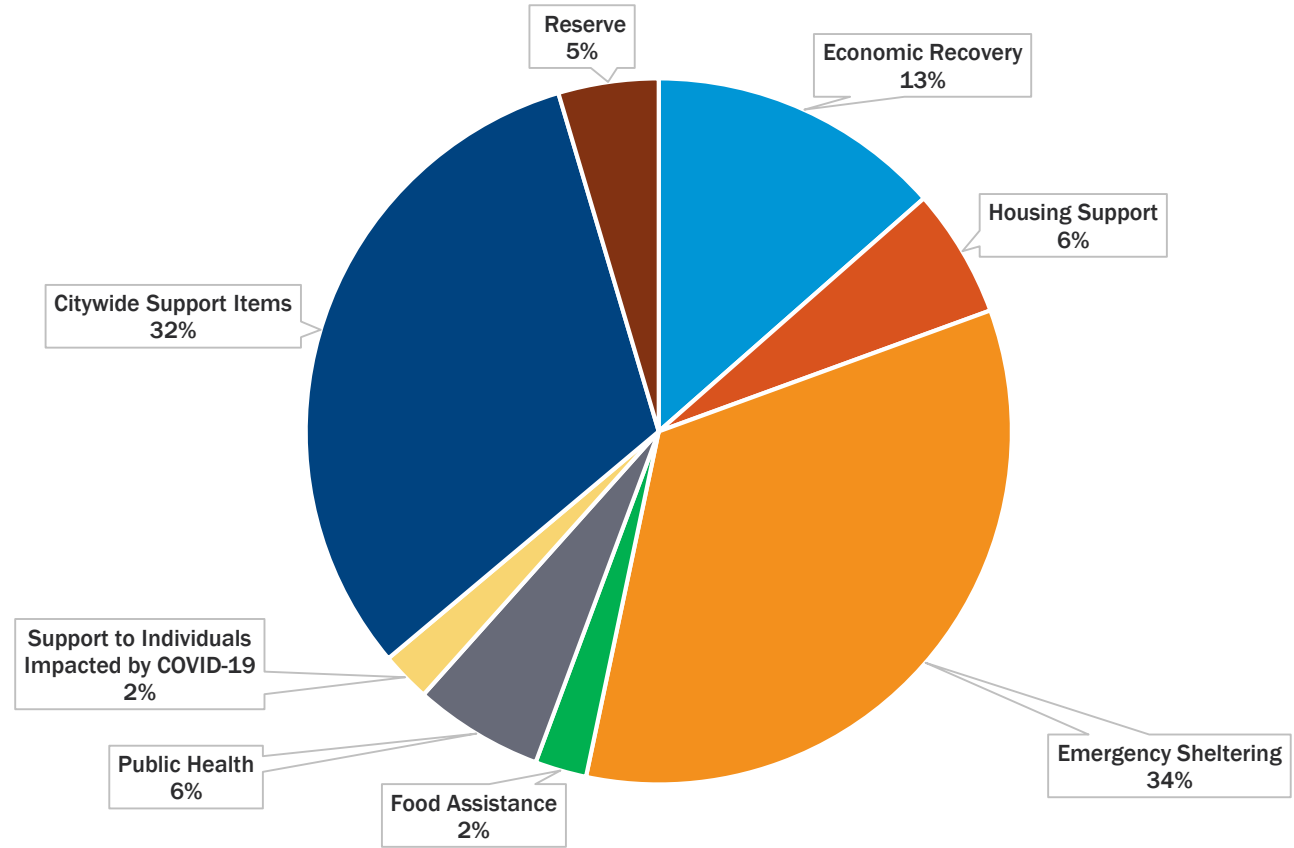
Investment Area	Investment Amount	Investment Specifics
A&V Non-Touch Fixtures	\$60,450	Replaces paper towel dispensers, faucets, toilets, soap dispensers, and water fountains with “touch free” options.
A&V Theaters Air Sterilization System	\$163,227	Enhances HVAC systems with sterilization systems to prevent the transmission of airborne disease.
Bonfils Theater Complex Air Sterilization System	\$124,500	Enhances HVAC systems with sterilization systems to prevent the transmission of airborne disease.
Colorado Convention Center Sterilization Systems	\$650,000	Permanent escalator handrail sterilization, UV disinfection systems, touchless entry doors, and an air sterilization system to prevent the transmission of airborne disease.

CRF Status

Denver Total	\$126,892,711
Total Allocated	\$121,066,356
<u>Remaining Balance (Reserve)</u>	<u>\$5,826,355</u>

Economic Support \$20.0 million	Housing/Shelter \$50.5 million	Public Health \$7.5 million	Food \$3 million
Citywide Operations/FEMA Match: \$40 million			

CRF Total Allocations by Category



CRF Next Steps

CRF: Final Funding Determinations

\$61M Shelter Request to FEMA

If approved:

- More payroll relief: GF and non-GF is accommodated
- City SRF recharged creating more capacity for 2021 challenges (e.g. vaccine, FEMA match, etc.)

If not approved:

- Difficulty accommodating payroll for other funds
- City SRF potentially less flush headed into 2021
- Should still meet BMO's GF balancing target

CRF Current Status

Approved Uses

Spending Category	Budgeted Expenses
Phase #1	\$20,000,000
Phase #2	\$25,757,000
FEMA Match	\$15,000,000
CW Ops: Non-Payroll Relief	\$2,690,464
Shelter Reserve	\$22,702,741
Phase #3	\$12,606,615
CW Ops: Phase #3 Proposals	\$1,698,177
CW Ops: Payroll	\$20,611,359
Reserve	\$5,826,355

Unapproved or
Placeholders

If FEMA Approves Shelter Funding:

Options:

- Allocate funds to citywide projects
 - Dependent on timing
- Boost transfer of eligible payroll
 - More likely
- Get aggressive with moving any remaining SRF expenses over to CRF

Spending Category	Budgeted Expenses
Phase #1	\$20,000,000
Phase #2	\$25,757,000
FEMA Match	\$20,675,685
CW Ops: Non-Payroll Relief	\$2,690,464
Phase #3	\$12,606,615
CW Ops: Phase #3 Proposals	\$1,698,177
CW Ops: Payroll	\$20,611,359
Reserve	\$22,853,411

If FEMA Denies Shelter Funding or Does Not Respond:

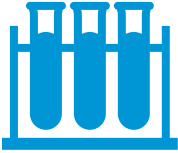
- CRF remains largely untouched
- City SRF more constrained

Options:

- Use remaining reserve – barring resurgence – to absorb whatever is left in the SRF

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Phase #1	\$20,000,000
Phase #2	\$25,757,000
FEMA Match	\$15,000,000
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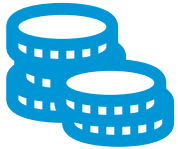
Other Considerations



- Testing expenses move from the Local SRF to FEMA



- FEMA Payroll Journal (~\$550K Citywide; some portion is GF)



- Interest earnings from CRF may yield additional funds

CRF Next Steps – Key Deliverables

- City Council Status Report Delivered – Oct. 22
- Phase 3 Council Actions Begin – Late October
- Update Regarding FEMA Determinations – November
- Potential Phase 4 Disbursement – November/December

CRF Year End Strategy



- If time allows, fund “shovel ready” community projects through expedited Phase 4 round
- Move eligible payroll, agency, and SRF expenses to CRF
- Recharged SRF can help meet emergency and recovery needs in 2021



Questions?