

DEDO ORDINANCE/RESOLUTION REQUEST

Date of Request: 6/8/20

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:

2. Title: Approves a grant agreement (revenue contract) for Denver Economic Development & Opportunity (DEDO) to receive \$4,012,373 in special Community Development Block Grant (CDBG-CV) funds from the U.S. Department of Housing & Urban Development (HUD) provided in response to the COVID-19 public health crisis.

3. Requesting Agency: Denver Economic Development & Opportunity (DEDO)

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Rachel King 720-913-1669	Name: Susan Liehe 720-913-1689
Email: rachel.king@denvergov.org	Email: susan.liehe@denvergov.org

5. General a text description or background of the proposed request, if not included as an executive summary.
See Executive Summary

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

7. City Council District: All

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property): Grant agreement

Vendor/Contractor Name: U.S. Department of Housing & Urban Development (HUD)

Contract control number: OEDEV-202054914

Location: Citywide

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):
Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount (A)</i>	<i>Additional Funds (B)</i>	<i>Total Contract Amount (A+B)</i>
\$4,012,373	0	\$4,012,373

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
January 1, 2020 - December 31, 2020	n/a	n/a

Scope of work:

To execute FY 2020 grant agreement for US Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG-CV) program:

AMOUNT: \$4,012,373

Was this contractor selected by competitive process? n/a

Has this contractor provided these services to the City before? Yes No

Source of funds: Community Development Block Grant, authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; [42 U.S.C.-530.1](#) et seq.

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, DEN concession contracts): N/A

Who are the subcontractors to this contract? N/A

EXECUTIVE SUMMARY

This unique one-time stream of CDBG funds has been made available as a result of the COVID-19 public health crisis. CDBG funds are administered by grantees under a rigorous set of guidelines and limitations, and there has been some flexibility provided for grantees for these CDBG-CV funds. In Denver’s case, this means that we can fund more than our usual annual array of public service projects (typically capped each year at 15%).

The federal Community Development Block Grant (CDBG) program was enacted in 1974 to provide block grant funding for community development. CDBG assists urban, suburban, and rural communities to improve housing and living conditions and expand economic opportunities for low- and moderate-income persons.

Counties use the flexibility of CDBG funds to collaborate with private and nonprofit sector partners to develop and upgrade local housing, water, infrastructure and human services programs. CDBG also helps to create jobs through the expansion and retention of businesses and is an important tool for helping local governments tackle serious challenges facing their communities. Counties rely on CDBG allocation to meet critical community development needs.

Nationwide, CDBG provides annual grants on a formula basis to nearly 1,200 metro and county governments in addition to states.

Across the country, these “local entitlement cities and counties” receive about 70 percent of CDBG funds, and states receive the remaining 30 percent. HUD determines the amount of each grant by using a formula including community need, poverty rates, population growth or lag measured in relationship to other metro areas, and housing issues, including the age of housing stock.

Here in Denver, CDBG funds are administered through Denver Economic Development & Opportunity (DEDO) for various neighborhood development projects such as public facilities or community improvements, and also gap financing for small businesses, while the city Department of Housing Stability (HOST) administers CDBG funds for affordable housing-related projects and programs.