



**DENVER**  
THE MILE HIGH CITY

# **DENVER ECONOMIC DEVELOPMENT & OPPORTUNITY**

**Eric Hiraga, Executive Director**

2021 Budget

*Leading an inclusive and innovative economy for all  
Denver residents, businesses, and neighborhoods*

# What We Do

***Our Vision:  
To lead an inclusive  
and innovative  
economy for all  
Denver residents,  
businesses, and  
neighborhoods***

## BUSINESS DEVELOPMENT

- ☑ Supports business recruitment, retention, and expansion in Denver
- ☑ Assists small businesses and entrepreneurs



## GLOBAL BUSINESS DEVELOPMENT

- ☑ Builds Denver's capacity to engage with global markets

## WORKFORCE DEVELOPMENT

- ☑ Connects jobseekers to employment and training opportunities
- ☑ Connects employers to a skilled talent pipeline



## DIVISION OF SMALL BUSINESS OPPORTUNITY

- ☑ Creates and expands contract opportunities for small, minority, and women-owned businesses

## NEIGHBORHOOD EQUITY & STABILIZATION (NEST)

- ☑ Creates opportunities for residents and businesses in neighborhoods experiencing change



## EXECUTIVE OFFICE

- ☑ Drives overall strategic planning, agency operations, and personnel management

# Equity: Guiding Questions

How does our budgetary adjustments/proposed budget directly benefit or impact one or more of the following?

- ☒ Older adults
- ☒ People with disabilities
- ☒ Individuals with chronic medical conditions
- ☒ Historically marginalized communities (limited English proficiency, federal poverty level, communities of color, First Nations People)
- ☒ Under-resourced communities (minority, women and/or disadvantaged businesses)

Are there any unintended consequences to the budgetary adjustments/proposed budget?

What policies are currently in place have a negative impact on marginalized communities and perpetuate systemic racism? How can we change these?



# Equity: DEDO's Focus on vulnerable<sup>4</sup> businesses, jobseekers, and neighborhoods

## Business Development

Support: Focus on **small/micro-business** support, start-ups, and prioritize **NEST neighborhoods**

## Global Business Development

Recruitment: prioritize businesses that **share** the same **values** as Denver (equity, inclusion, community involvement/philanthropy)

## Workforce Services

Target outreach to underserved job seekers, including:

- **Veterans**
- **TANF recipients**
- **History of Homelessness**
- **History with Foster Care**
- **Geography**
- **Persons 50+ years old**
- **People with disabilities**

## Division of Small Business Opportunity (DSBO)

Primary goals is to create/expand contract opportunities for **small, minority and women-owned businesses**

## Neighborhood Equity & Stabilization

Focus on the **most vulnerable neighborhoods** based on looking at key indicators of displacement (home ownership, education attainment, etc.)

Current NEST neighborhoods include: Elyria- Swansea, Globeville, NE Parkhill, East Colfax, Montbello, Sun Valley, Valverde, Villa Park, West Colfax, Westwood)



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# **Business Development**

## **Global Business Development**

### **Workforce Development**

Deborah Cameron, Chief Business Officer

*Creating opportunities for small businesses, entrepreneurs , and companies looking to relocate or expand in Denver to create job opportunities for our residents, while strengthening the city's tax base.*

# BUSINESS DEVELOPMENT

## GLOBAL BUSINESS DEVELOPMENT

### SUPPORTS BUSINESS RECRUITMENT, RETENTION, AND EXPANSION IN DENVER

- ✓ **Business Advocacy, Business Incentive Fund, Business Investment Program, Enterprise Zone, and Liaison Support**
- ✓ **Assisting businesses with:**
  - Connections/Sector Partnerships
  - Civic Engagement and Board Placement
  - Employment services

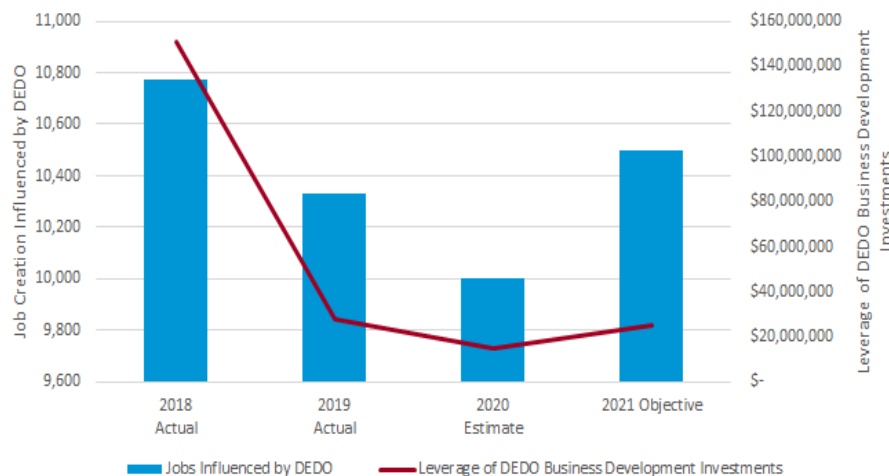
### BUILD DENVER'S CAPACITY TO ENGAGE WITH GLOBAL MARKETS

- ✓ **Foreign Direct Investment**
- ✓ **City2City Program**
- ✓ **Denver Landing Pad**
- ✓ **Global Trade Missions**
- ✓ **Hosting foreign delegations**

### ASSISTS SMALL BUSINESSES AND ENTREPRENEURS

- ✓ **Commons on Champa**
- ✓ **Small Business Revolving Loan Program**
- ✓ **Denver Microloan Program**
- ✓ **Denver Scale Up Program**
- ✓ **BIO Fund**
- ✓ **Small Business Emergency Grant Funds**

**Business Development Impacts**



# BUSINESS DEVELOPMENT

## GLOBAL BUSINESS DEVELOPMENT

### 2020 HIGHLIGHTS

#### Business Development

**Small Business Emergency Relief Grants**  
1098 Grants  
\$7.3M

**PPE Kits for Small Biz and Nonprofits**  
~4000 businesses/nonprofits  
\$1.5M

**Loan Deferments**  
14 deferments  
\$30k monthly payments deferred

**Developing new biz incentive application**  
underscoring the city's value on  
collaborating with companies with strong  
corporate social responsibility

**Retention and Attraction:**  
York Space Systems, Marqeta, Wix, Fastly,  
and others

#### Global Business Development

**Global Landing Pad – Virtual Event**  
15 global small businesses participated from 7  
countries

**Solidified City2City relationship with Sydney,  
Australia**

**Worked with foreign business prospects**  
from 12 countries that are exploring expansion  
into Denver. Countries include Canada, Mexico,  
Colombia, UK, Germany, Switzerland,  
Netherlands, India, Israel, Japan, Australia, New  
Zealand

**Reinvigorated Denver's Foreign Trade Zone**  
as a viable economic development tool for  
manufacturers

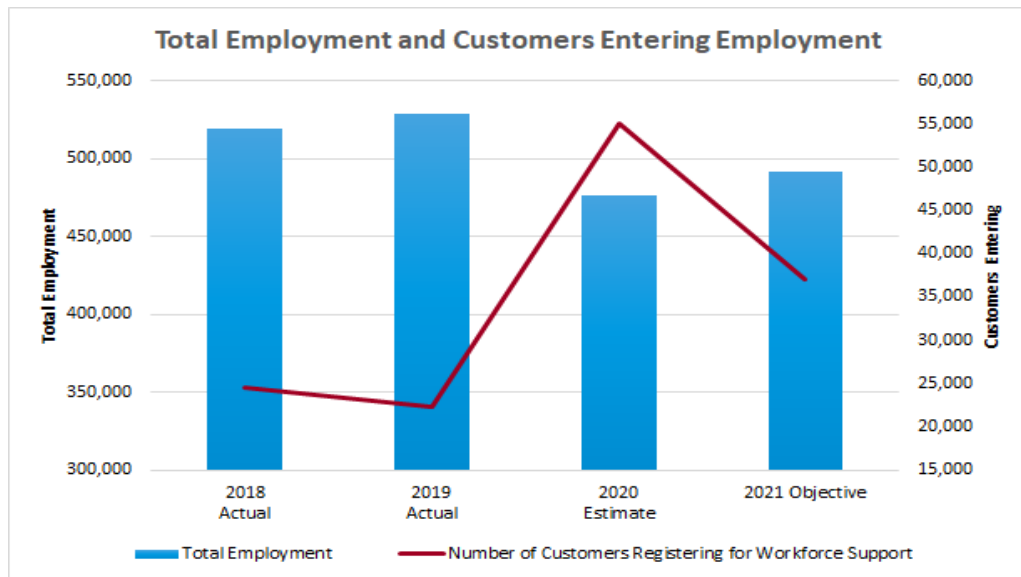
*Data as of 8/31/20/20 subject to change*

## JOB SEEKER SERVICES

- ✓ ACCESS Three workforce centers, virtual tools
- ✓ EXPLORE Labor market and career pathway info
- ✓ PREPARE Job readiness training, career coaching
- ✓ LEARN Workshops, individual training accounts
- ✓ CONNECT Recruitment events, work-based learning

## EMPLOYER SERVICES

- ✓ HIRE Job postings, applicant referrals, recruitment events
- ✓ TRAIN On-the-job training, internships, apprenticeships
- ✓ RETAIN Upskilling and incumbent worker supports, consulting



### 2020 HIGHLIGHTS

**Virtual Workforce Services**  
4,300 individuals, 1,000 businesses, 160 events Mar-June

**Procured new partner to run Workforce Centers**

**Integrated workforce requirements**  
in major city infrastructure projects such as:  
16th St. Mall, National Western Center, Convention Center

**“Good Jobs” Strategy**  
Launching 2020

Programs are primarily funded through Federal Grants (WIOA, Wagner-Peyser, Dislocated Workers, Employment Support Funds, Youth, Others), not the city's General Fund.



# Change Requests

## Business Development Division

Expenditures	Revenues	FTE	Duration
\$14,991	\$0	0	One-time/Temp

- Reduction: (\$200,000) for Business Incentive Fund transfer into General Fund
- Reduction: (\$50,609) reduction in professional services
- Reduction: (\$34,400) for travel and Sponsorships across Business Development and Global Business Development
- Expansion: \$300,000 for Business Support for the 16th Street Mall Construction Project

# 16<sup>th</sup> Street Mall

The Mall is home to over 300 business with 200 directly located on the mall (excluding office). Approximately 100 of the 200 are locally owned.

## Proposed efforts include:

1. Small Business Stabilization
2. Attraction of new Mall Tenants
3. Technical Assistance to Prepare Business for Construction
4. Open for Business Campaign





# Budget Summary

## Business Development Division

	2019	2020	2021	\$
Business Development Division (0114000)	Actuals	Appropriated	Recommended	Change
<b>Expenditures by Type</b>				
Personnel Services	1,532,265	1,547,498	1,398,168	(149,330)
Services and Supplies	467,502	561,483	895,836	334,353
Capital Equipment	2,565	0	0	0
Internal Services and Misc.	5,616	1,500	1,500	0
Restricted Budget	0	70,492	0	(70,492)
<b>Expenditures by Type Total</b>	<b>2,007,948</b>	<b>2,180,973</b>	<b>2,295,504</b>	<b>114,531</b>



# Mitigating Actions and Equity Framework Summary

## Mitigating Actions to Deliver Service:

- Continue to leverage virtual capabilities to engage with business development and global business opportunities
- Rely to a greater extent on publicly available data sources

## Budget Equity Framework Summary

- Continue to partner with NEST, city and community stakeholders to implement culturally-responsive programs that reduce economic equity gaps and increase opportunities for minority, women owned businesses and marginalized and disadvantaged groups and communities
- Continue to encourage businesses in Denver to recruit and hire from marginalized groups, engage with community organizations, and increase corporate social responsibility



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# **DIVISION OF SMALL BUSINESS OPPORTUNITY (DSBO)**

Adrina Gibson, DSBO Director

*Be the bridge that promotes and improves the participation and engagement of small businesses through the creation and implementation of programs, thereby achieving an equitable Denver economy.*



# DIVISION OF SMALL BUSINESS OPPORTUNITY

CREATES AND EXPANDS CONTRACTING OPPORTUNITIES FOR SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES IN DENVER

- ✓ MWBE (Minority and Women Business Enterprise) Program
- ✓ SBE (Small Business Enterprise) Program
- ✓ DBE (Disadvantaged Business Enterprise) Program
- ✓ Business Utilization Determinations and Compliance Oversight Program
- ✓ Capacity Building & Mentor Protégé Program
- ✓ Community Outreach/Facilitating Networking Opportunities for certified businesses

## 2020 HIGHLIGHTS

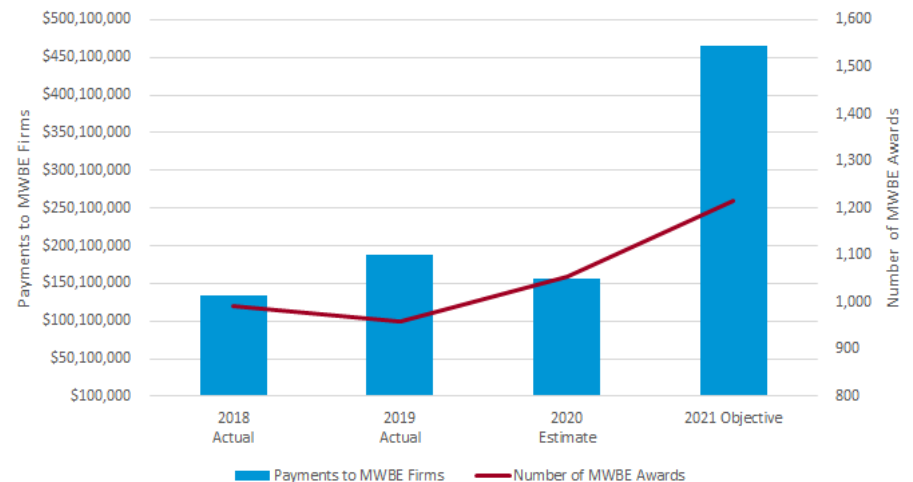
COVID Technical and Capacity Bldg. Certified for Small Biz  
Launching Fall 2020

Major overhaul of the Ordinance, Rules & Regs, and development of Standard Operating Procedures

Launched Mentor Protégé capacity building program  
6 pairings – Primes/Subs/City Agencies

Launched Leading Edge for Small Business capacity building program with CDOT

DSBO Payments and Awards to Certified Firms



Expenditures	Revenues	FTE	Duration
(\$100,000)	\$0	0	One-time/Temp

- Reduction: (\$100,000) for Capacity Building and Technical Assistance Support

Expenditures	Revenues	FTE	Duration
(\$276,285)	(\$276,285)	(-2)	One-time/Temp

- Reduction: (\$95,474) for –1 FTE for Special Project Analysis and Compliance
- Reduction: (\$95,474) for –1 FTE for Certification Analysis and Production
- Reduction: (\$74,000) for system enhancements and forensic analysis of compliance items
- Reduction: (\$11,337) for employee travel

*DSBO DEN items are 100% reimbursed/funded by DEN – There is no impact to the General Fund*





# Budget Summary

## DSBO

	2019	2020	2021	\$
Small Business Opportunity (0111000)	Actuals	Appropriated	Recommended	Change
<b>Expenditures by Type</b>				
Personnel Services	2,103,683	2,801,192	1,340,108	(1,461,084)
Services and Supplies	159,863	634,147	126,652	(507,495)
Capital Equipment	13,535	11,700	0	(11,700)
Internal Services and Misc.	2,012	4,000	4,000	0
Restricted Budget	0	69,840	0	(69,840)
<b>Expenditures by Type Total</b>	<b>2,279,094</b>	<b>3,520,879</b>	<b>1,470,760</b>	<b>(2,050,119)</b>
<b>Other Program Funding Sources</b>				
<b>General Government SRF</b>				
Internal Billings and Reimbursements	0	0	1,311,560	1,311,560
<b>Total Program Expenditures</b>	<b>2,279,094</b>	<b>3,520,879</b>	<b>2,782,320</b>	<b>(738,559)</b>

Includes DSBO DEN Business Unit – Shown in the General Government SRF



# Mitigating Actions and Equity Framework Summary

## Mitigating Actions to Deliver Service:

- Partner with City Agencies, community partners and other municipalities on capacity building programming opportunities for marginalized and disadvantaged businesses
- Leverage virtual engagement meetings, training and existing communication platforms to continue informing small business community on City, DSB0 program and opportunities
- Streamline processes, procedures and technology systems to more productively allocate staff workload and time

## Budget Equity Framework Summary

- Continue to partner with city agencies, small business centric organization & associations, and small business enterprises to employ initiatives and strategies to remove barriers to access opportunities and capital.
- Develop comprehensive technical services for marginalized and disadvantaged businesses to assist in competing successfully in the market



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# **NEIGHBORHOOD EQUITY AND STABILIZATION (NEST)**

Irene Aguilar, NEST Director

*To support neighborhoods experiencing significant change to elevate their voice in determining the future of their community by empowering under-resourced and marginalized residents and businesses.*

# THE EVOLUTION OF NEST

2018  
(October)

- ☑ NEST created by Mayor - Irene Aguilar hired as Director (Team of 1)
- ☑ Landscape assessment, building community partnerships

2019

- ☑ DEDO's Neighborhood's Team added to NEST (Team of 7 at this point)
- ☑ Development of Citywide NEST Team, assets assessment, identification of community needs, implementation of solutions, manage \$1.2M HUD Community Development Block Grants (CDBG) through the Notice of Funding Application (NOFA) process

2020

- ☑ NDCC added to NEST + Program Manager Hired (Now a team of 10)
- ☑ Identify successful methods used by NDCC and expand to other communities; manage CDGB
- ☑ NEST Strategic Plan developed, and mission clarified:
- ☑ **Mission: To support neighborhoods experiencing significant change elevate their voice in determining the future of their community by empowering under-resourced and marginalized residents and businesses.**

Present  
Day

- ☑ Partner with City and community stakeholders to implement culturally responsive programs that narrow the social and economic equity gaps in prioritized neighborhoods
- ☑ Bridge the economic equity gap by investing in culturally responsive direct services within prioritized neighborhoods
- ☑ Support individuals and community organizations to make community driven change within prioritized neighborhoods



# NEIGHBORHOOD EQUITY & STABILIZATION (NEST)

## CREATES OPPORTUNITIES FOR BUSINESSES & RESIDENTS IN NEIGHBORHOODS EXPERIENCING CHANGE

- ☑ Community Development Block Grants (CDBG) grants to community serving organizations (via NOFA – Notice of Funding Application process) + Public Facilities & Improvement Funding
- ☑ Partnering with/building capacity of Business Support Organizations /Youth Groups/ Employment & Training Resources
- ☑ Connecting Community Groups to CCD staff and/or ensuring their needs and desires are known and disseminated to those in power.
- ☑ Mentoring NEST youth through CCD employment opportunities in partnership with Career Wise
- ☑ Partnering across the city and externally on ways to mitigate involuntary displacement –Investment Impact
- ☑ Nonprofit Emergency Relief Fund grants, Strengthening Neighborhoods Mini Grants, Priority Neighborhoods small business relief funds

### 2020 HIGHLIGHTS

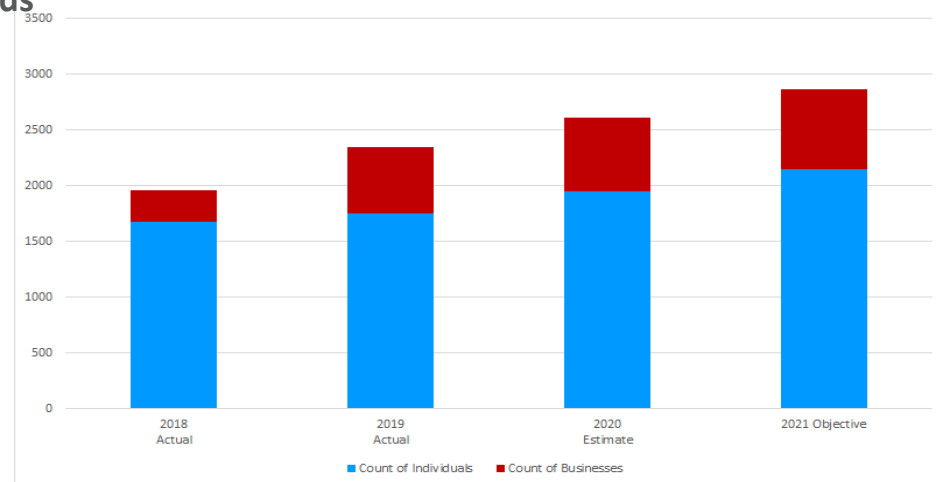
**Nonprofit Emergency Relief Grants**  
148 Grants to date (\$1.5M) | \$2.0M total

**Development of new strategic plan**

**Deployment of CDBG neighborhood grants**  
15 organizations, \$1.1M

**Completed Year 1 of Career Wise**  
3 Teenagers from GES

NEST: Individuals and Businesses Receiving Support





# Change Requests

## NEST

Expenditures	Revenues	FTE	Duration
\$0	\$0	0	One-time/Temp

There are no Reductions in NEST's 2021 Budget;  
The 2021 NEST Budget reflects a significant increase due to the merger of NDCC staff



# Budget Summary

## NEST

	2019	2020	2021	\$
Neighborhoods (0113000)	Actuals	Appropriated	Recommended	Change
<b>Expenditures by Type</b>				
Personnel Services	0	177,828	797,435	619,607
Services and Supplies	0	120,630	631,453	510,823
Capital Equipment	0	1,220	0	(1,220)
Internal Services and Misc.	0	0	1,750	1,750
Restricted Budget	0	34,921	0	(34,921)
<b>Expenditures by Type Total</b>		<b>334,599</b>	<b>1,430,638</b>	<b>1,096,039</b>



# Mitigating Actions and Equity Framework Summary

## Mitigating Actions to Deliver Service:

- NEST will not experience any reduction in resources in 2021.

## Budget Equity Framework Summary

- Partner with city and community stakeholders to implement culturally-responsive programs that narrow the social and economic equity gaps in prioritized neighborhoods
- Bridge the economic equity gap by investing in culturally responsive direct services within prioritized neighborhoods
- Support individuals and community organizations to make community-driven change within prioritized neighborhoods





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# EXECUTIVE OFFICE

Jen Morris, Chief of Staff

Eric Hiraga, Executive Director

## DRIVES OVERALL STRATEGIC PLANNING, OPERATIONS, AND PERSONNEL MANAGEMENT

- ✓ **Strategic Planning**
- ✓ **Marketing, Communications, Government Relations**
- ✓ **Policy**
- ✓ **Data and Reporting**
- ✓ **Operations**
- ✓ **Finance and Contracts**
- ✓ **Human Resources and Employee Engagement**

### 2020 HIGHLIGHTS

**Economic Relief & Recovery Council**  
 120+ community members actively engaged  
 30+ Recommendations

**Management and deployment of over \$11M**  
**in Local and Federal Coronavirus Relief Funds**  
 (additional \$2M+ pending) – to date

**Development of long term strategy for**  
**equitable economic recovery**  
 (in development)



Expenditures	Revenues	FTE	Duration
(\$277,133)	\$0	(-3)	One-time/Temp

- Reduction: (\$300,133) for –2 FTE including a Director of Marketing and Communications and an Admin III, last held by the City's Chief Economist
- Reduction: (\$177,000) for –1 FTE for a Mayoral Appointee position
- Reduction: (\$50,000) for professional services typically used for supportive programming and analysis
- Expansion: \$250,000 Expansion for Aerotropolis Development Phase III



# Aerotropolis

## Aerotropolis Regional Committee (ARC)



- > Joint vision for an internationally recognized and competitive aerotropolis that will be a significant asset for the region
- > Responsible, thoughtful growth on and around DEN through a sustainable model for coordinated development that reflects the values of our collective community
- > Attraction of primary employers and jobs that will continue to strengthen Colorado's economy

We are here

Phase 1  
Competitive Analysis  
Target Audience, and  
Market Research

Phase 2  
Creative Development;  
Branding, Target  
Refinement

Phase 3  
Marketing Plan  
Execution and  
Optimization



# Budget Summary

## Executive Office

Executive Office (0115000)	2019 Actuals	2020 Appropriated	2021 Recommended	\$ Change
<b>Expenditures by Type</b>				
Personnel Services	2,033,430	1,579,996	1,715,831	135,835
Services and Supplies	1,282,121	368,097	678,097	310,000
Capital Equipment	19,240	10,000	0	(10,000)
Internal Services and Misc.	3,982	41,060	11,060	(30,000)
Restricted Budget	0	316,669	0	(316,669)
<b>Expenditures by Type Total</b>	<b>3,338,772</b>	<b>2,315,822</b>	<b>2,404,988</b>	<b>89,166</b>



# Mitigating Actions and Equity Framework Summary

## Mitigating Actions to Deliver Service:

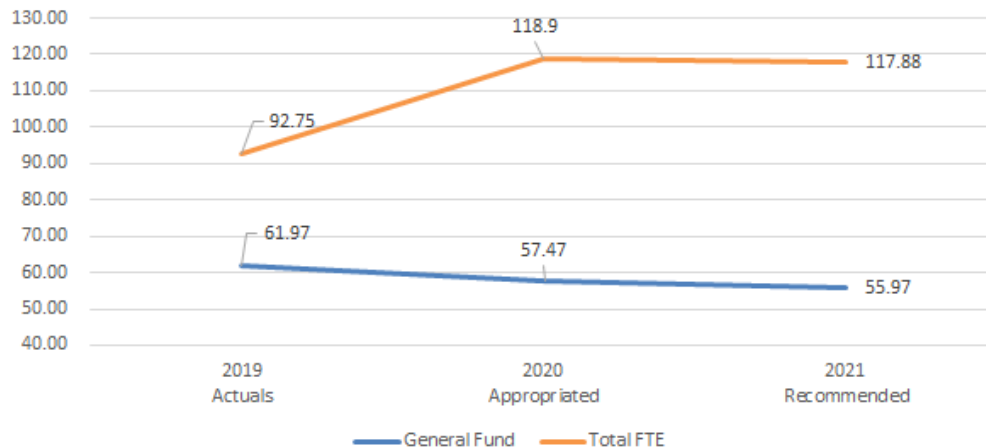
- Realignment of current staff roles to fill in service gaps and utilize limited dollars to outsource specific projects (i.e. on-call economist support vs. rehire full time economist)

## Budget Equity Framework Summary

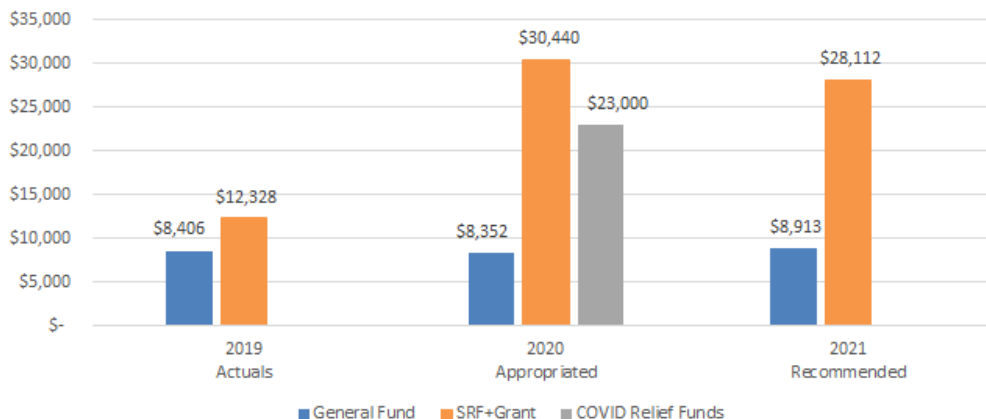
- Ensure communications and outreach is delivered in a culturally relevant manner (i.e providing translation services, translated printed materials in various languages, partner with NEST to reach target populations)
- Focus long-term economic recovery strategies are centered around equity and inclusivity

# Economic Development Expenses and FTEs

## DEDO FTE SUMMARY



## DEDO FUND SUMMARY

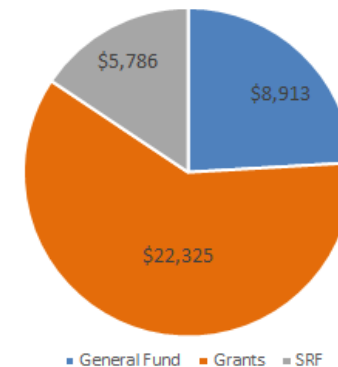


## DEDO BUDGET STRUCTURE

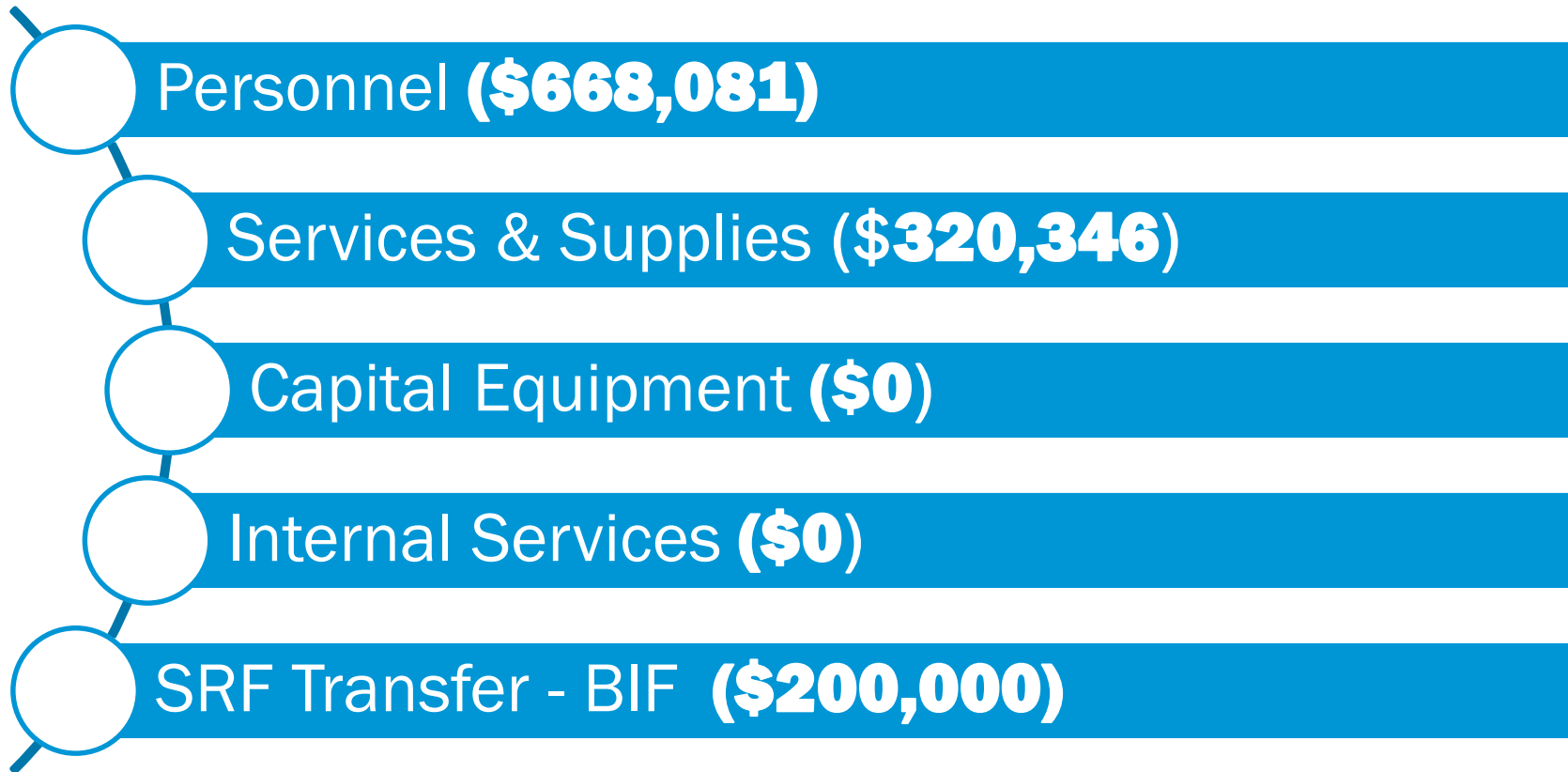
DEDO has various funding streams:

- Dept of Labor WIOA Annual Workforce Appropriation
- HUD CDBG Annual Appropriation
- US Economic Development Association Revolving Loan Funds
- State and Private Workforce Funds
- Special Revenue Fund Annual Transfers (BIF, Youth, Construction Careers)
- General Fund Annual Appropriation
- DEN Revenue Reimbursement

## 2021 DEDO FUNDING



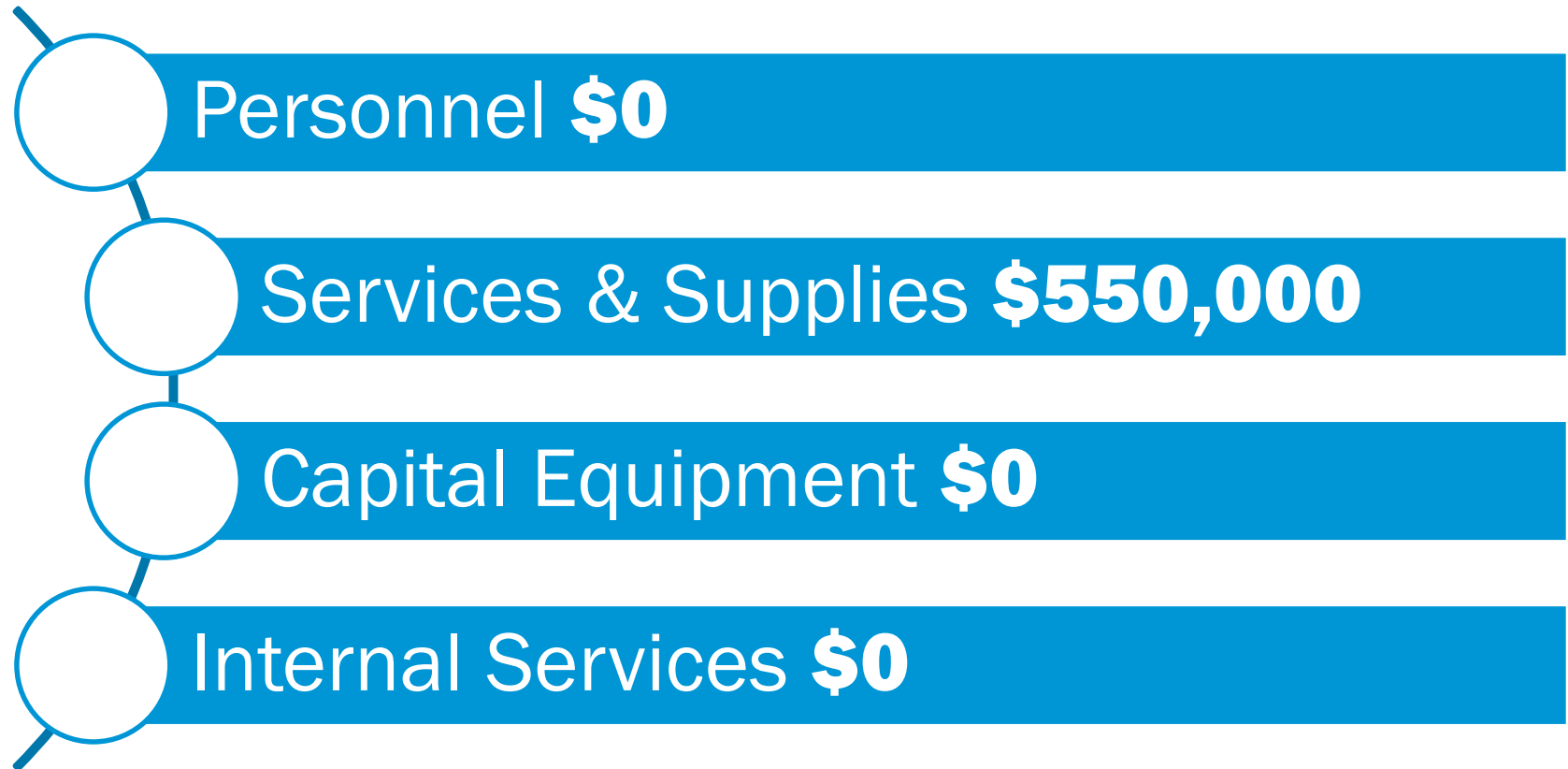
# DEDO REDUCTIONS



*Reductions includes \$276,285 of DSB0 DEN items which are 100% funded by DEN  
(No impact to General Fund)*

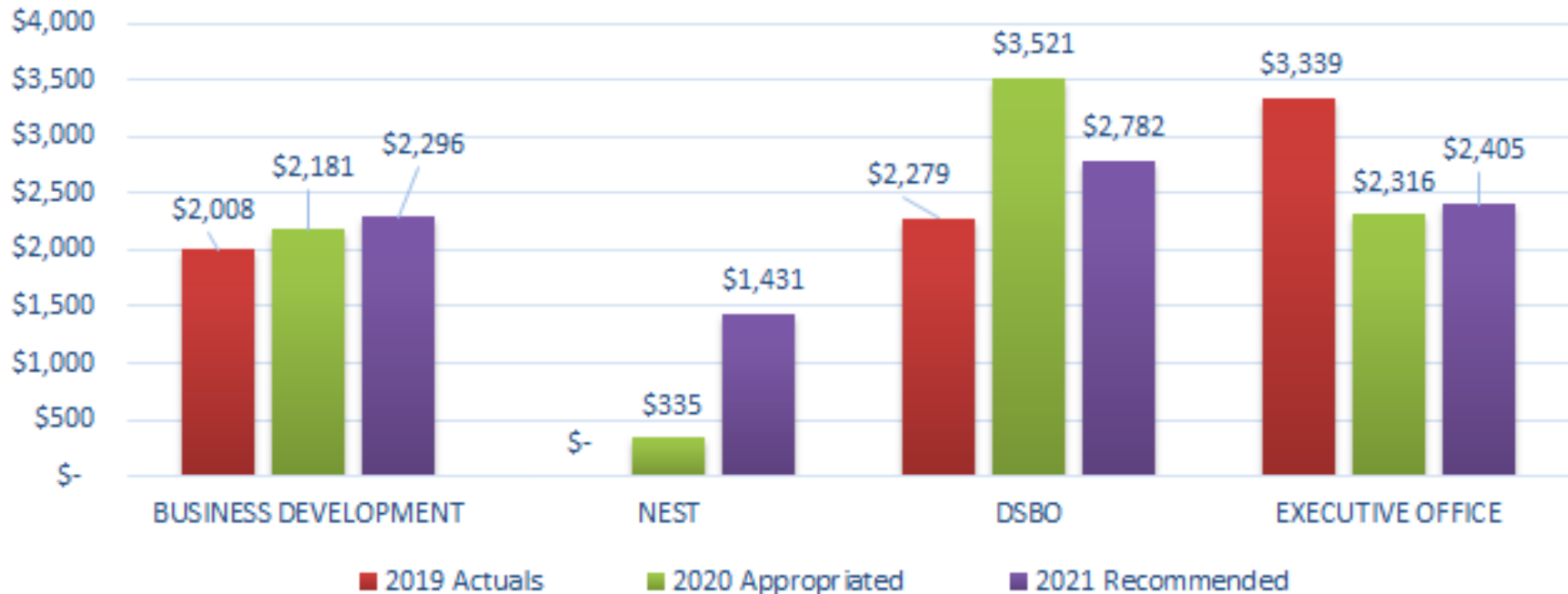


# DEDO EXPANSIONS



# DEDO GF Budget Summary

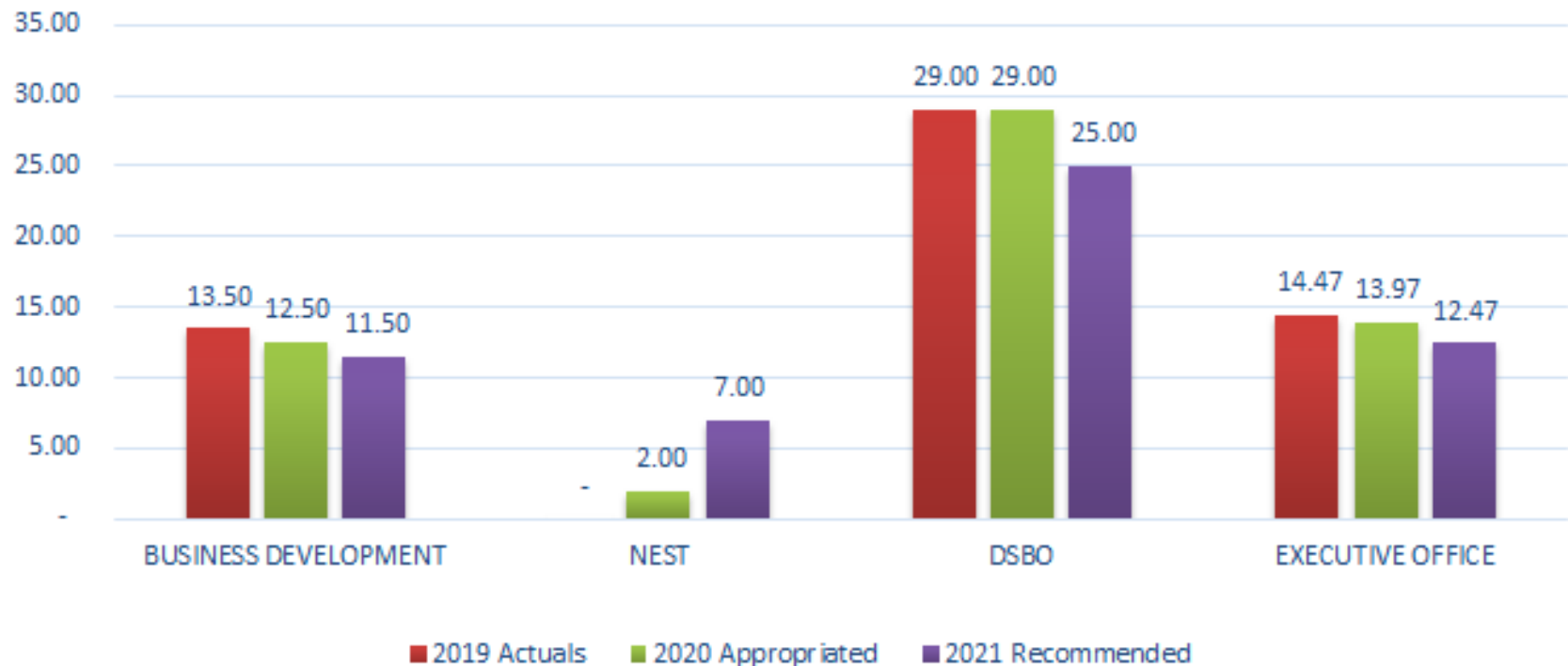
## Year Over Year General Fund Budget by Division



- Business Development includes Business Development and Global Business Development Cost Centers
- NEST includes the 2020 transfer of NDCC-linked Budget items
- DSBO includes both Downtown and DEN Budgeted items (DEN items are reimbursed 100% by DEN)

# DEDO GF FTE Summary

## Year over Year General Fund FTE by Division



- Business Development includes Business Development and Global Business Development Cost Centers
- NEST includes the 2020 transfer of NDCC-linked Budgeted personnel
- DSBO includes both Downtown and DEN Budgeted FTE



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# **2021 & BEYOND – Reimagining a Resilient, Equitable Denver Economy**

**Denver is Poised to Recover  
Faster than other Cities**

According to Moody's Analytics... Cities that were fast-growing pre-coronavirus will continue their rise. "Denver and Salt Lake City are well-positioned to retake their crown as two of the fastest-rising metro areas in the US," says Kamins. *Forbes, May 2020*

# PRE-COVID ECONOMY SUGGESTS STRONG RECOVERY

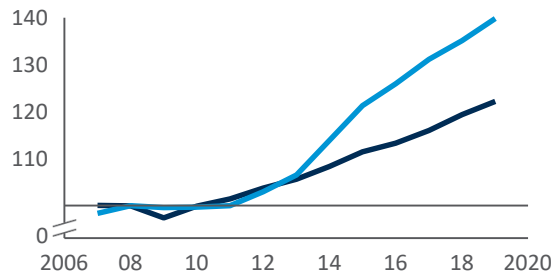
## 1. Between 2009 – 2019, Denver County significantly outperformed the national economy across key economic factors

PRELIMINARY, PROPRIETARY, PRE-DECISIONAL

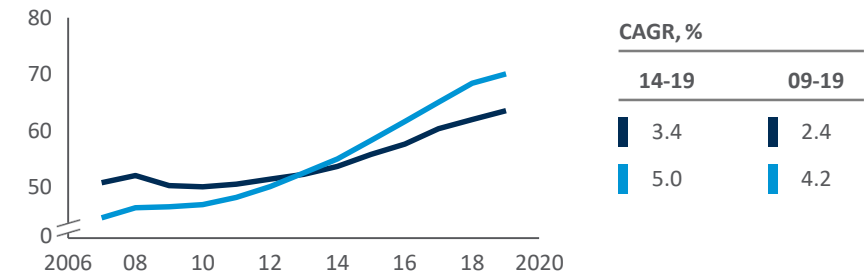
CURRENT AS OF JULY 21, 2020

■ US (national) ■ Denver county, CO

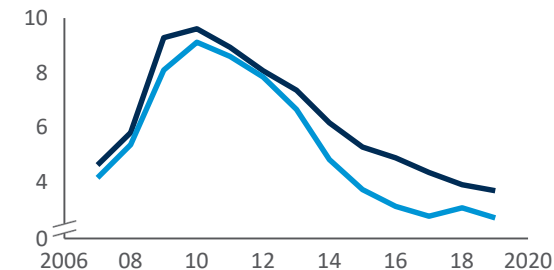
### GDP, Indexed to 2008



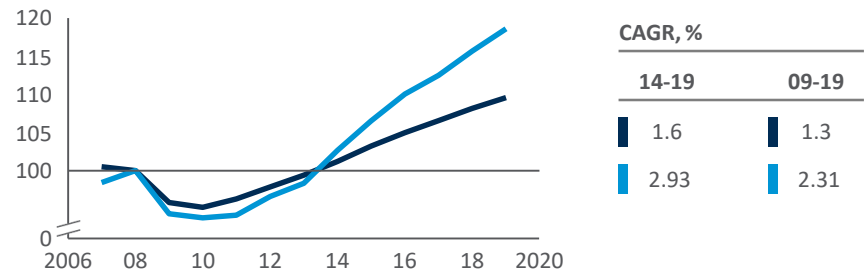
### Median household income, \$ thousands



### Unemployment rate, %



### Employment, Indexed to 2008



# BUT WE MUST ADDRESS THE GAPS ACROSS RACIAL GROUPS

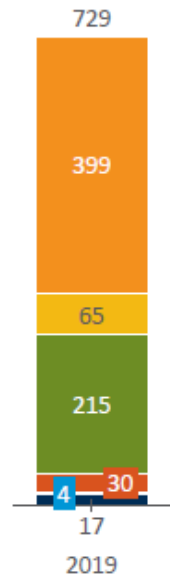
38

1: However, there are gaps in educational and socioeconomic outcomes across racial groups in Denver County

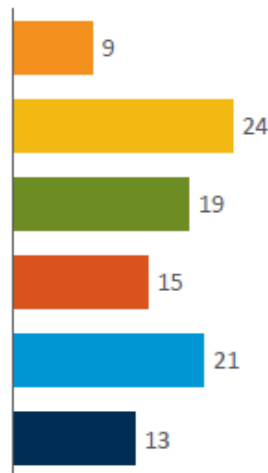
PRELIMINARY, PROPRIETARY, PRE-DECISIONAL

CURRENT AS OF JULY 21, 2020

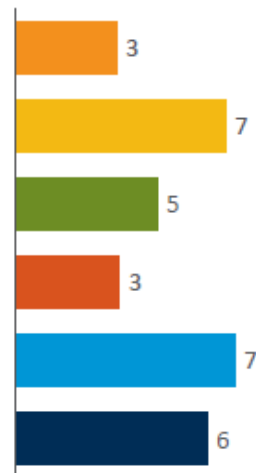
Population (000)  
and growth by 2030



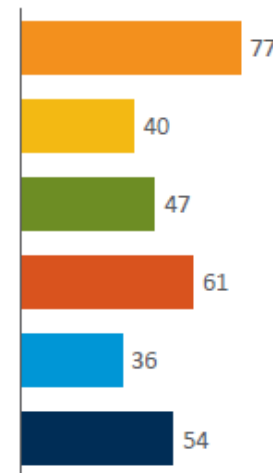
Poverty rate (%)<sup>1</sup>



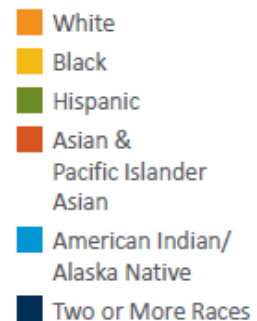
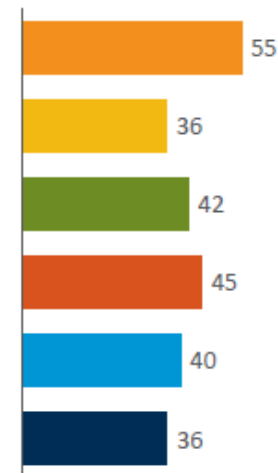
Unemployment rate (%)<sup>1,2</sup>



Median income (\$,000)<sup>1,2</sup>



Home ownership rate (%)<sup>1,2</sup>



1. There are overlaps between racial groups because of the Census data structure. For instance, a Black Hispanic person is counted in both the Black category and the Hispanic category, with the exception of White
2. Accounts for Asian population alone

Source: American Community Survey 5YR Estimates, US Census; EMSI population projections (2019-2030)



# PLANNING FOR AN EQUITABLE LONG-TERM RECOVERY

- Starts with understanding the current state of the economy, and what the effects of Covid-19 were on the various populations
  - ✓ Current job landscape
  - ✓ Future job landscape
  - ✓ Industries that we want to focus on for the future – bringing good, stable jobs that are attainable for Denver residents
  - ✓ Training, re-training, upskilling needed for marginalized populations



**221,000 jobs in the Denver county are vulnerable to job loss, reduced hours, or furlough – and these jobs are concentrated in sectors with the lowest wages. Because Black and Latinx people are overrepresented in these jobs, they are also disproportionately affected by COVID-19 job vulnerability**



Almost half of jobs at risk affect small and medium businesses (SMBs) with fewer than 100 full-time employees. Because minority-owned small businesses tend to be smaller than non-minority-owned small businesses and report greater difficulty in obtaining credit, they are disproportionately affected as well



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**THANK YOU  
& QUESTIONS**

