



**DENVER**  
THE MILE HIGH CITY

# **Denver Economic Development & Opportunity**

2022 Budget

“Leading an inclusive and innovative economy for all Denver residents, businesses, and neighborhoods.”



# DEDO at a Glance

## 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



## EXECUTIVE OFFICE

Drives overall strategic planning, agency operations, and personnel management

## DIVISION OF SMALL BUSINESS OPPORTUNITY

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



## NEIGHBORHOOD EQUITY & STABILIZATION (NEST)

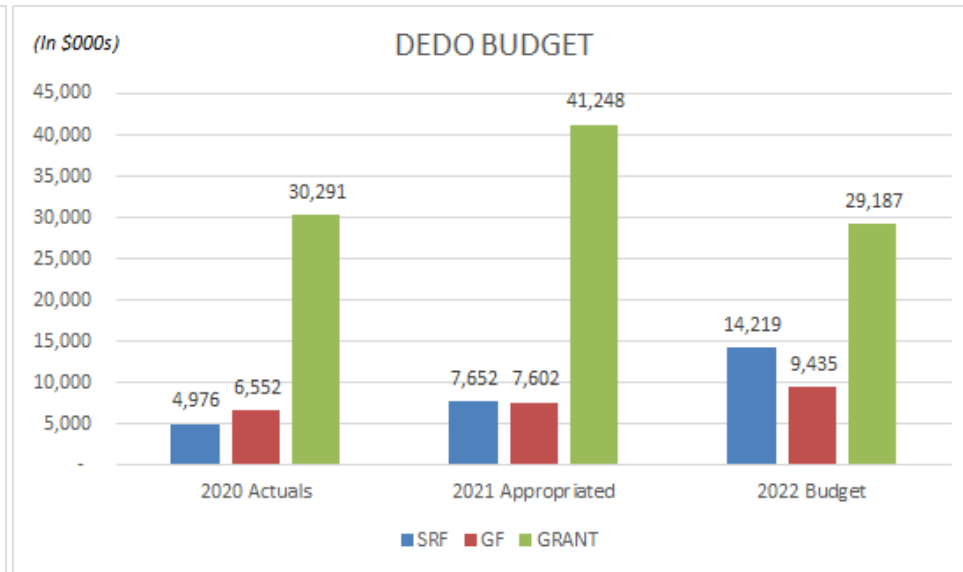
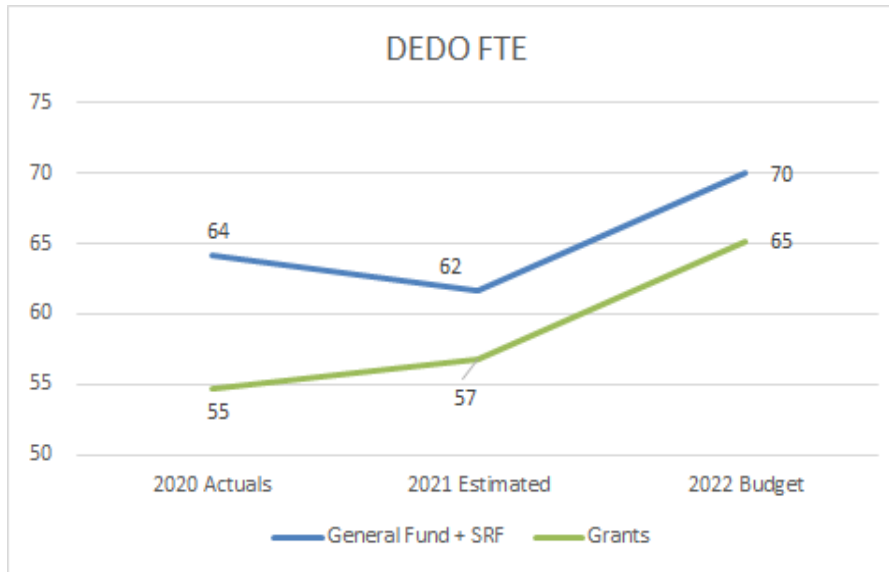
- ☑ Creates opportunities for residents and businesses in neighborhoods experiencing change





# DEDO Funding Sources

## YoY Expenses and FTEs



### General Fund Budget includes:

- \$2.5M expansions offset by (\$675k) net year over year adjustments
- 6 FTE expansions across all Divisions

### SRF Budget includes:

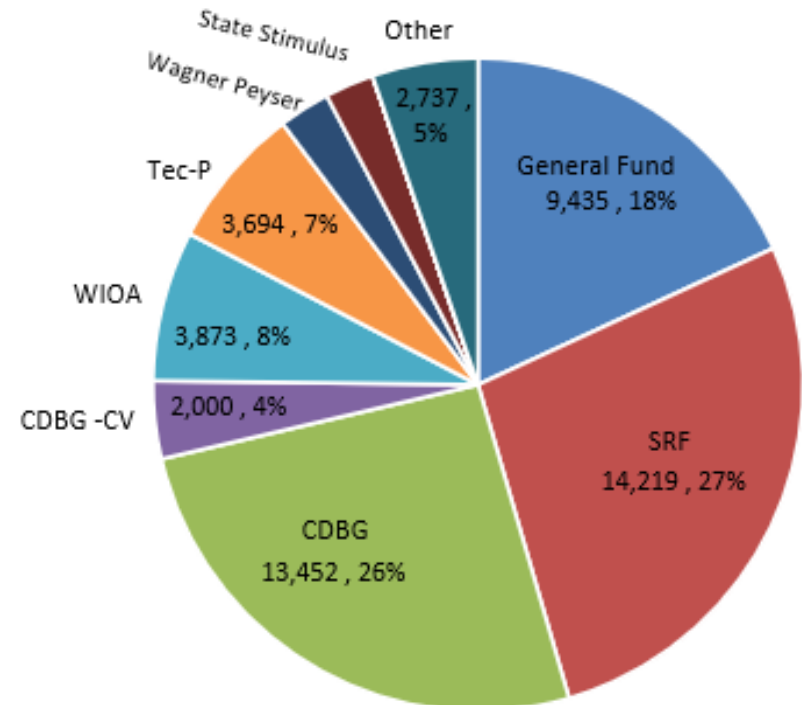
- \$8.3M expansions offset by (\$1.7M) net year over year adjustments
- 3 FTE expansions for DCCP
- 12 part-time students for the Citywide CareerWise Youth Apprentice Program (2021 Start)



# DEDO 2022 est. Funding Sources

(In \$000s)

FUNDING	2020 Actuals	2021 Budget	2022 Anticipated
General Fund	6,552	7,602	9,435
SRF	4,976	7,652	14,219
CDBG	6,630	15,339	13,452
CDBG-CV	-	5,000	2,000
WIOA	2,279	3,827	3,873
Tec-P 2.0	-	1,847	3,694
State Stimulus	-	5,079	1,328
Wagner Peyser	1,184	1,213	1,271
CRF	18,054	3,793	-
ARPA	-	TBD	TBD
Other Workforce	2,144	5,177	2,737
<b>TOTAL</b>	<b>41,819</b>	<b>56,531</b>	<b>52,007</b>



- Majority of additional 2020 Grant Funding came from CRF
- Majority of additional 2021 Grant Funding came from CRF, State Stimulus and CDBG-CV
- 2021 / 2022 does not include potential ARPA funding

# Agency Equity Plan and Goals

## Key Equity Work and Accomplishments

*DEDO acknowledges that disruptions to the economy have not affected everyone equally and will have a special emphasis on those that are historically marginalized and under-resourced in the economy at the forefront of this work. The results of this effort will be an economy that works for everyone.*



65%+ of DEDO's Small Business Emergency Relief Grants awarded to Women and/or Minority owned businesses



81% of DEDO's Nonprofit Emergency Relief funding went to organizations serving NEST neighborhoods; 89.37% of organizations were BIPOC/Female led



Workforce 2020: 12,923 unique individuals, a 110% increase over the previous Program Year.



There are currently 1,387 Division of Small Business Opportunity Certified firms:

- 1194 SBE
- 1043 MWBE
- 1102 DBE
- 713 EBE



### DEDO Personnel

- All staff: 50% BIPOC, 64% Female
- Leadership: 42% BIPOC, 64% Female
- 20% of staff multilingual, speaking 14 different languages + ASL

- 42% are receiving public assistance
- 18% are older workers
- 15% are justice-involved
- 12% are living with a disability
- 7% are experiencing homelessness

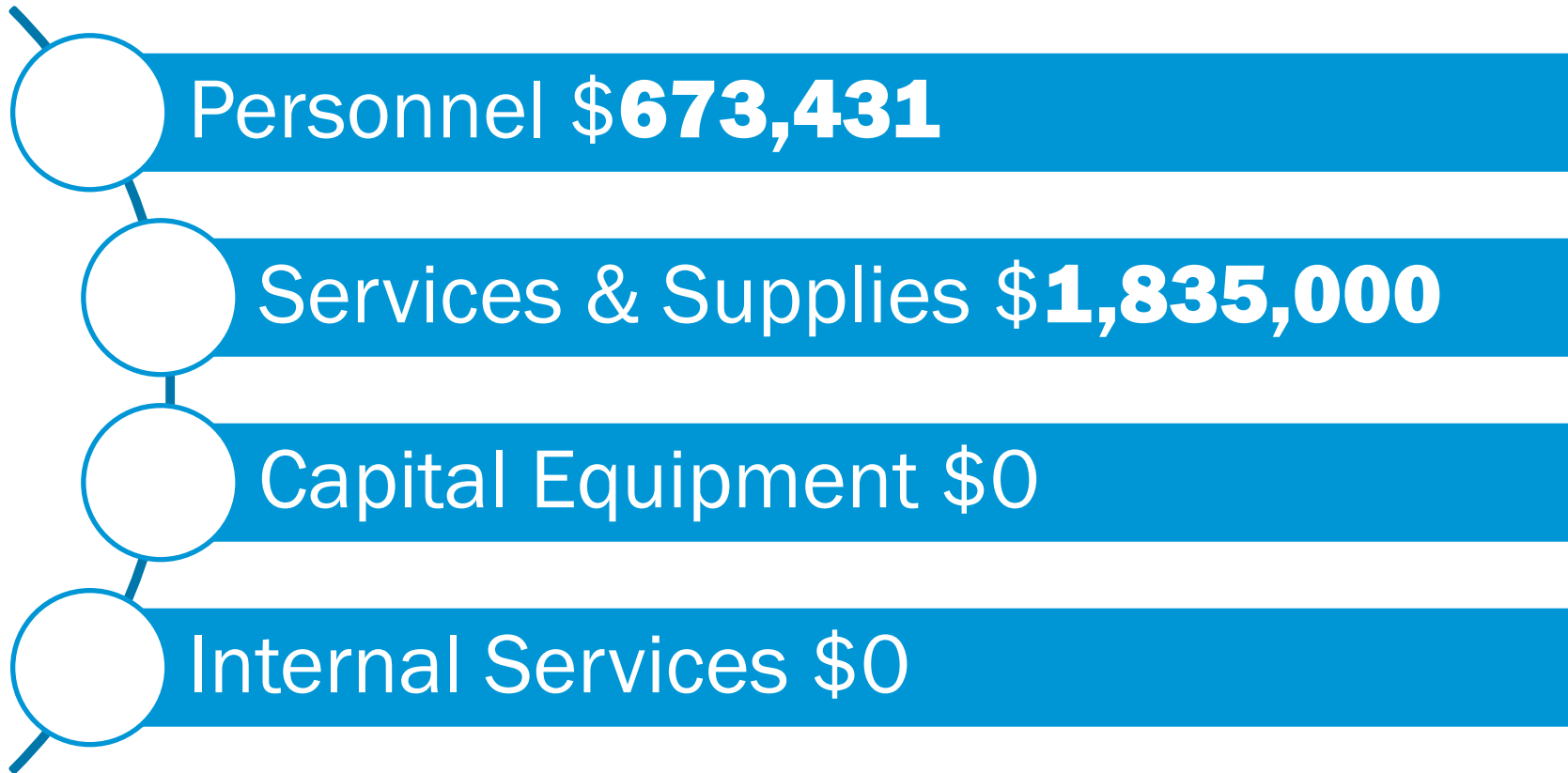


# Agency Equity Plan and Goals

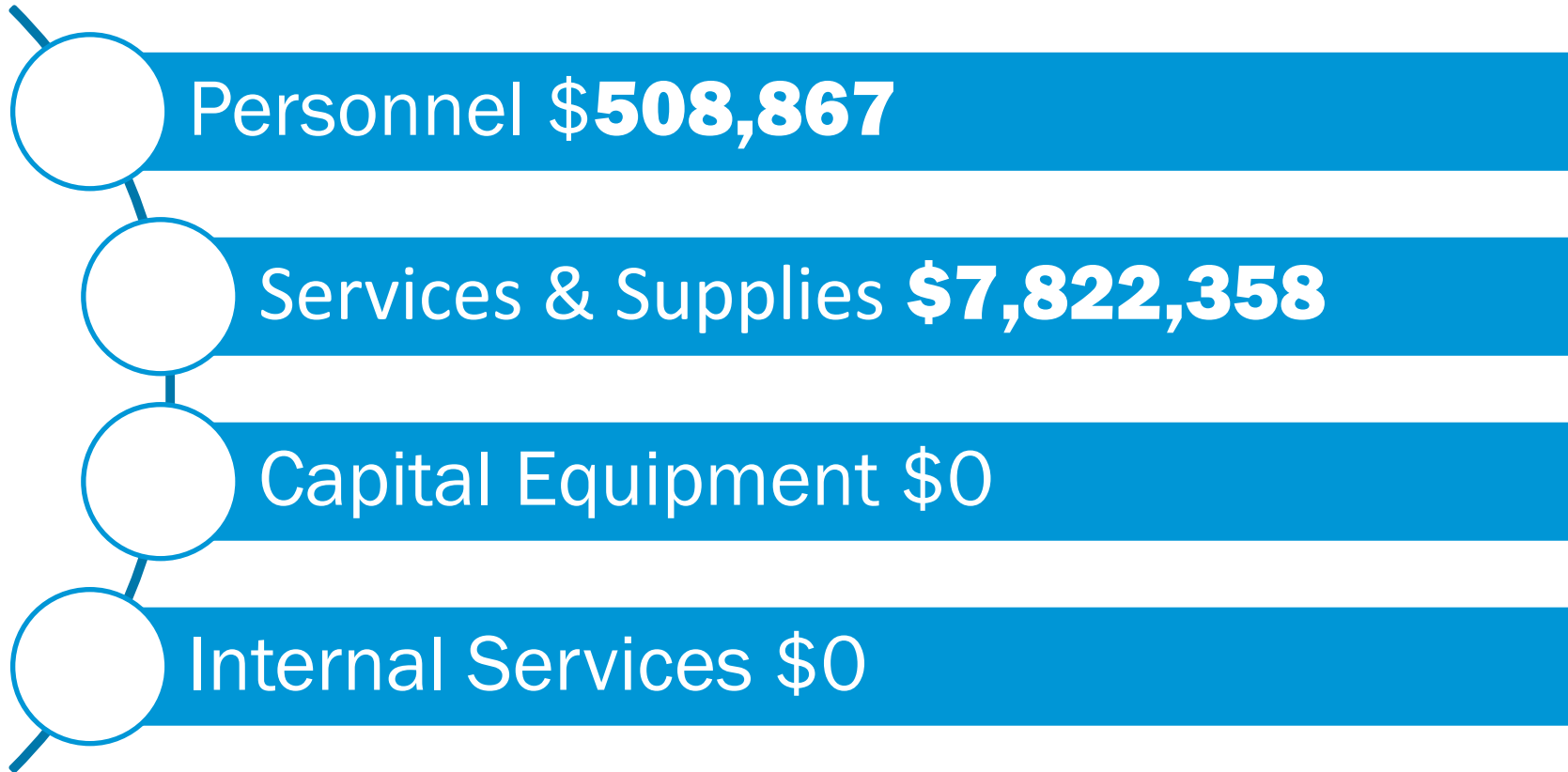
## 2022 Budget Expansion Equity Considerations

- COVID had an outsized impact on Denver's small businesses, many of which are minority-owned. New DEDO programs will focus on those businesses, residents and organizations most in need.
- DSBO expansion requests will help DSBO ensure that MWBE firms are paid in a timely manner, and able to successfully work with the city/prime contractors, comply with DSBO program requirements and take advantage certified small business development services.
- NEST is 100% dedicated to supporting neighborhoods experiencing significant change to elevate their voice in determining the future of their community by empowering under-resourced and marginalized residents and businesses.
- Denver Workforce Services targets:
  - People transitioning from the justice system, people experiencing homelessness
  - People living with disabilities
  - Veterans
  - Jobseekers over age 50
  - People with a language barrier
  - People needing extra help with remedial skills
  - People who seek support accessing & using technology
  - New Americans

# DEDO Total General Fund Expansions



# DEDO Total Special Revenue Fund Expansions







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# Business Development



# Business Development Overview

Focused on growing and sustaining the local business environment, from supporting micro businesses and emerging entrepreneurs, to Denver's largest foundational firms. Promotes Denver on the global stage as a desirable city to start or grow a business and attract foreign direct investment in our community.

- **Local Business Retention & Growth**
  - Technical resources, community partnerships, financing (provision of business lending tools that the traditional financing marketplace lacks), incentives & more
  - CDBG Revolving Loan Program
  - Commons on Champa, Denver ScaleUp Network, Denver Startup Week
- **Global Business**
  - Works with foreign companies interested in expanding their business operations to the U.S. via Denver
  - Global Landing Pad
- **Business Attraction**
  - Bringing new businesses to Denver that create jobs and provide a knowledge-base to our economy creating a Mile High future for our residents
- **Small Business Support – Economic Recovery**
  - BIO Fund
  - Small Business Investment Program (new/proposed)



# 16<sup>th</sup> Street Mall Construction Support Key Expansion

Expenditures	Revenues	FTE	Duration
\$1,000,000	\$0	0	Temporary

For the duration of the reconstruction of the 16th street mall, DEDO will work with partners to provide technical support and stabilization grants to small businesses, as well as attraction of mall tenants. Our CBD is in a fragile state due to the impact of the pandemic, and without intervention, the decline will be exasperated with the addition of the planned 16<sup>th</sup> Street Mall reconstruction project.



1. Small Business Stabilization
2. Technical Assistance
3. Attraction of Mall Tenants

- Priority will be given to businesses based on size, ownership structure, and number of employees.
- Business attraction will focus on retail offerings/diversity lacking on the mall
- Unique solutions like manufacturers coop, popup shops



# 16<sup>th</sup> Street Construction Support

## Key Strategic Metrics & Equity Framework

### Budget Equity Framework Summary

*COVID had an outsized impact on Denver's small businesses, many of which are minority-owned. These programs will focus on those businesses most in need as well as those being adversely affected by 16th Street Construction. Additionally, it is typical to see more entrepreneurs and startups during economic downturns and this funding will allow DEDO to focus specific efforts on minority and women-owned startups*

### City Council Priority Summary

- *Council priority 4:* Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations
  - Small business assistance



# Business Incentive Fund Restoration

## Support Key Expansion

Expenditures	Revenues	FTE	Duration
\$200,000	\$0	0	Permanent

Restores \$200,000 of the City's Business Incentive Fund (BIF) which was reduced temporarily in 2021 for COVID-related savings. This increase restores the annual BIF transfer to \$1.2M and is used to incentivize businesses to locate or expand operations in Denver, if they meet certain requirements such as job creation.



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# Denver Workforce Services



# Workforce Services Overview

Denver Workforce Services assists employers to **hire, train, and retain** a quality workforce while providing jobseekers the ability to **access, explore, prepare, learn, and connect** to employment, training, and other workforce development opportunities.

## JOBSEEKER SERVICES

- Operation of our 3 Workforce Centers
- Back to Work 50+
- New Americans Integration Network
- Trade Adjustment Assistance
- Denver Construction Careers Program
- Gateway Training Program
- Partner with 26+ community partners to provide services to under-resourced residents (\$17M in investments)

## EMPLOYER SERVICES

- Assistance with hiring, training, and retaining a quality workforce
- Job Fairs
- Sector Partnerships
- Work-Based Learning Programs – on the job training, internships, apprenticeships, incumbent worker training

## YOUTH SERVICES

- Governor's Summit Job Hunt
- Certified Youth Employer Program



# Denver Construction Careers

## Key Expansion

Expenditures	Revenues	FTE	Duration
\$2,000,000	\$0	3	Permanent

The Denver Construction Careers Pilot seeks to expand into a permanent program in 2022. With the number of projects moving forward including Elevate Denver, the new CIP, GO Bond, ARPA, and a yet to be seen infrastructure or jobs bill, current DCCP staff will not be able to accommodate future volumes over the next 3-5 years with current staffing levels. This program, designed with equity first, is more necessary than ever as we make sure that Denver comes out of the crisis stronger and more equitably than before.

- ✓ Establish Construction Careers Ordinance to move out of Pilot phase working with City Council
- ✓ Expand DCCP to support 2021 GO Bond projects \$10M+
- ✓ Support all current and new city projects \$10M+ with expanded DCCP program
- ✓ Provide general workforce support on other city projects (<\$10M projects)
- ✓ Identify location for training center – potentially utilize space at NWC (temporarily); or ideally in a NEST neighborhood
- ✓ Continue support for career advancement
- ✓ Leverage other jobseeker supports being deployed by DEDO's Workforce Services team

**DCCP Workforce  
Impact 2021**

**9,322 Total Workers  
\$30.84 Average Wage**

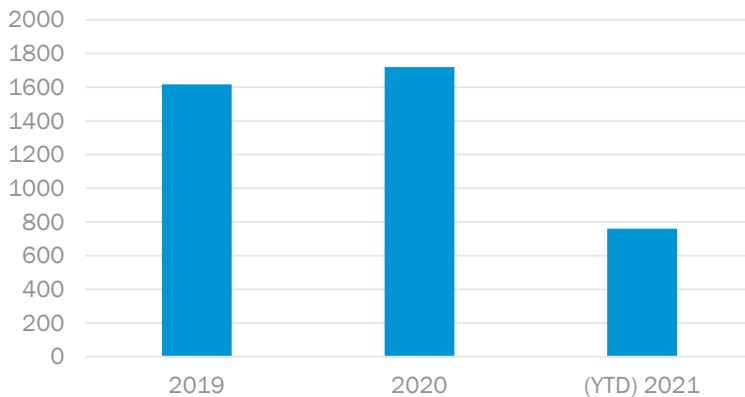
**4,334 New Hires  
\$28.92 Average Wage**



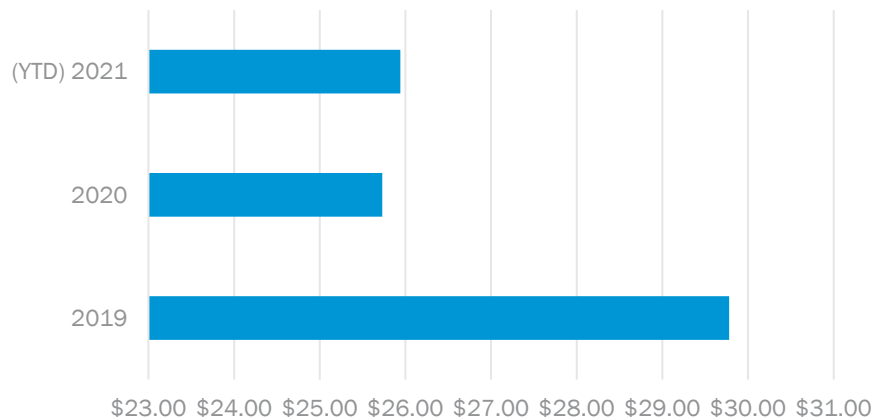
# Denver Construction Careers

## Key Strategic Metrics & Equity Framework

New Workers Hired through DCCP



Avg Hourly Wage



### Budget Equity Framework Summary

*Denver Construction Careers is 100% dedicated to ensuring the future growth and prosperity of Denver reaches all residents. This program is not only about getting people into a new career, but it has built in upskilling and career mobility pieces that provide a runway for a person to travel from an apprentice to a successful business owner in Denver.*

### City Council Priority Summary

- **Council priority 4:** Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations
  - Worker assistance
  - Construction training stipends, support services and pre-apprenticeship
  - Workforce training



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# **Division of Small Business Opportunity**



# Division of Small Business Opportunity (DSBO) Overview

The Division of Small Business Opportunity (DSBO) supports the growth, capacity, and sustainability of small, disadvantaged, minority, and women-owned businesses. DSBO's mission is to encourage the utilization of certified firms on city managed construction and professional services projects and the procurement of covered goods and services purchased by the city.

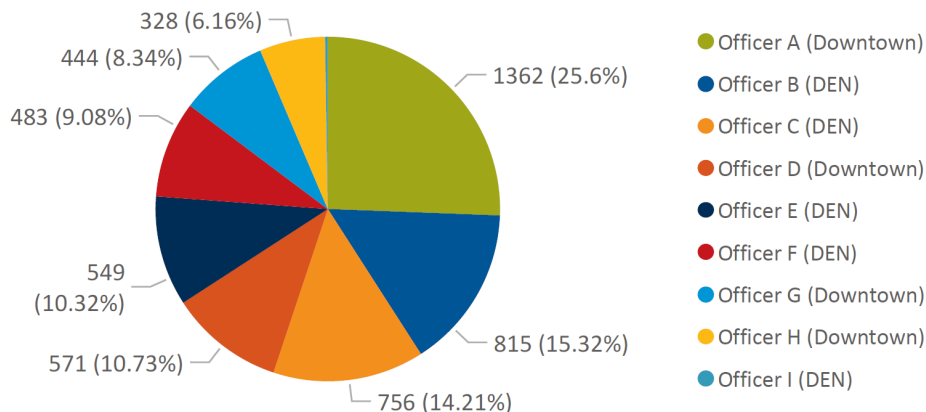
- 1) **CERTIFICATION:** certifying small, minority- and women-owned businesses in both local and federal programs
- 2) **GOAL SETTING/COMPLIANCE:** establishing and monitoring small business participation goals to level the playing field for small businesses on projects and procurement of goods and services throughout the City and County of Denver;
- 3) **TECHNICAL ASSISTANCE:** providing technical assistance and education training for small businesses; and
- 4) **OUTREACH/EDUCATION:** ensuring that outreach programs focus on educating small businesses, coordinating the Mentor Protégé program, and collaborating with internal and external stakeholders within the Denver community.

# Personnel Expansions

Personnel Expenditures	FTE	Services & Supplies
\$369,603	4- Permanent	\$0

4 new compliance officers to support expanded programming, with dedicated staff for DOTI, GS, DPR, and general programs. DSBO Staff have slowly been lost through attrition (previous positions were established as temporary roles). With the number of projects moving forward including Elevate Denver, new CIP, GO Bond, ARPA, and a yet to be seen infrastructure or jobs bill, DSBO staff will not be able to accommodate future volumes over the next 3-5 years with current staffing levels. This program is more necessary than ever as we make sure that Denver comes out of the crisis stronger and more equitably than before.

Number of Open and Closed Contracts by Staff



- DSBO sets goals on an average of **868 contracts per year**
- Most contracts require **multi-year monitoring**
- Average compliance officer monitors **hundreds of contracts**



# DSBO Budget Expansion

## Professional Services

Expenditures

\$250,000

Duration

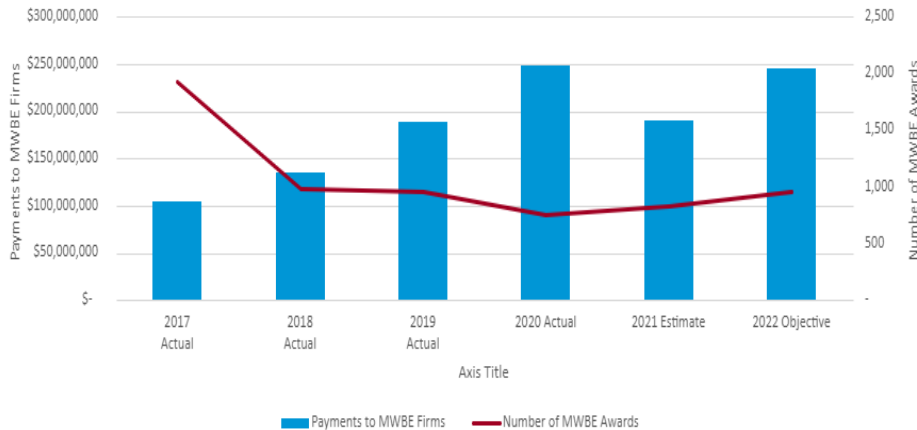
Temporary (2 years)

DSBO is required by ordinance to update a disparity study every 5 years. It is expected that the study will start in 2022 and end in 2023



# DSBO Key Strategic Metrics & Equity Framework

DSBO Payments and Awards to Certified Firms



## Budget Equity Framework Summary

The disparity study is a requirement by ordinance every 5 years to determine if inequities exist in the public procurement and contracting processes that adversely affect Disadvantaged Businesses / minorities and/or women.

- Used to measure success of DSBO program

## City Council Priority Summary

- **City Council Priority 1: Focus on evolving our community engagement and customer service to support residents navigating City services, resources and accessibility including language access**
  - Provide capacity building opportunities for small businesses
- **City Council Priority 4: Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations**
  - Small business assistance: this division is 100% dedicated to small, minority and woman owned businesses these expansion requests will help DSBO ensure that MWBE firms are paid in a timely manner, and able to successfully work with the city/prime contractors, comply with DSBO program requirements and take advantage certified small business development services.



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# **Neighborhood Equity & Stabilization (NEST)**



# Neighborhood Equity & Stabilization (NEST) Overview

NEST's mission is 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.

1. **GRANTS:** Administration of the Community Development Block Grant (CDBG) program; support of community driven and led projects through Community Mini Grants
2. **CAPACITY BUILDING:** Support of small businesses through education and capacity building, including CDBG funded business support offices; peer navigation services to help connect residents to resources and services; Indie/Visible program – marketing support for small businesses; supporting organizations providing technical support for creation of community-based businesses such as co-ops.
3. **YOUTH:** Careerwise program management, providing paid apprenticeships and career development for Denver youth



# NEST Budget Expansion

## Professional Services

### Expenditures

\$285,000

\$50,000

### Duration

Permanent

One-Time

NEST is funding the reinstatement of the \$285k permanently to support baseline programming efforts around displacement, community support, and small business assistance. Additionally, NEST is funding \$50k to conduct a community needs assessment.



# Citywide CareerWise Personnel Expansions

Personnel Expenditures	Part-Time Staff	Services & Supplies
\$250,000	12-Temporary	\$36,000
Citywide CareerWise: Wages for 12 high school student apprentices throughout 2022 (\$250k) as well as CareerWise Fee and Certification costs (\$36k)		





# Citywide CareerWise Key Strategic Metrics & Equity Framework

## Budget Equity Framework Summary

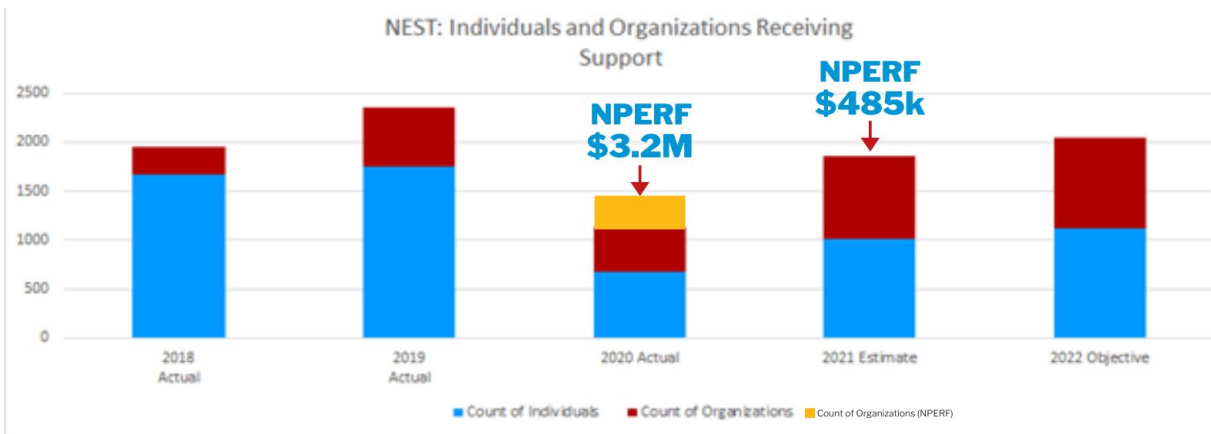
*The new cohort of twelve youth apprentices was recruited earlier this year with CareerWise Colorado and Denver Public Schools (DPS). Applications were open to DPS juniors and seniors or Denver resident juniors and seniors. All participants attend school or live in Neighborhood Equity and Stabilization (NEST) targeted neighborhoods of East Colfax, Elyria-Swansea, Globeville, Montbello, Northeast Park Hill, Sun Valley, Valverde, Villa Park, West Colfax, and Westwood. All of the students, 6 men and 6 females, come from diverse backgrounds.*

## City Council Priority Summary

- ***City Council Priority 4: Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations***
  - *Worker training: each position will be registered with the U.S. Department of Labor, and by the completion of the three-year program, apprentices will earn an industry-recognized certification, having access to up to \$4,000 in tuition reimbursement for select college courses they may begin taking after graduating high school.*



# NEST Key Strategic Metrics & Equity Framework



## Budget Equity Framework Summary

This division is 100% dedicated to supporting neighborhoods experiencing significant change to elevate their voice in determining the future of their community by empowering under-resourced and marginalized residents and businesses.

- Measured by # of individuals & organizations receiving support.

## City Council Priority Summary

- **City Council Priority 1: Focus on evolving our community engagement and customer service to support residents navigating City services, resources and accessibility including language access**
  - Worker-Owned Coops
  - Community Navigators
  - Capacity & Wealth building (Take the Wheel)
- **City Council Priority 4: Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations**
  - Nonprofit assistance, worker assistance, small business assistance



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# **DEDO Executive Office**



# Executive Office Overview

The Executive Office drives overall strategy, policy, agency operations, communications, and personnel management

- Finance & Accounting
- Operations: Contract Management, Office Management, Compliance
- Marketing/Communications
- Outreach and Language Accessibility
- Government/Legislative Affairs
- Strategic Planning
- Policy Tracking and Development
- Data and Reporting
- Personnel Management





# Executive Office FTE Restorations Personnel Expansions

Personnel Expenditures	FTE	Services & Supplies
\$131,128	1- Permanent	\$0
Restoration of Admin III position to support NEST programming and services		

Personnel Expenditures	FTE	Services & Supplies
\$172,700	1- Permanent	\$0
Restoration of staff to support Mayoral city-wide initiatives		

# Aerotropolis Key Expansion

Expenditures	Revenues	FTE	Duration
\$250,000	\$0	0	One-Time

DEDO requests \$250,000 to support a portion of the Aerotropolis project, in coordination with Adams County and DEN. This funding will provide 25% of the total funding for Round III of the Aerotropolis study







# Aerotropolis Key Strategic Metrics & Equity Framework

## Budget Equity Framework Summary

*As the region looks to recruit businesses and partners to the Aerotropolis, Denver will focus on those employers that will provide quality and attainable positions to Denver residents.*

## City Council Priority Summary

- *City Council Priority 4: Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations*

# Denver Small Business Investment Fund Key Expansion

34

Expenditures	Revenues	FTE	Duration
\$5,700,000	\$0	0	Permanent

DEDO seeks to provide grants, revolving loans and/or equity fund with seed money that is sourced from sales tax on the sale of cannabis. The fund, while in its infancy, aims to provide capital and business support to small businesses, and will give priority to BIPOC business owners as well as provide technical assistance to Cannabis Social Equity applicants.

Utilizing cannabis tax revenue (1%).



# Denver Small Business Investment Fund

## Purpose

BIPOC and other under-resourced communities have identified access to capital and need for technical assistance as a primary barriers to their success.

Increasing investment in entrepreneurs and small businesses with a new, progressive program that will focus on providing capital to small businesses needing to start, restart, restructure, improve upon or grow in their endeavors.

Focus: **Economic diversity, generational wealth building**

## Proposed Budget

Funded through 1% of Denver's cannabis sales tax revenue

2022: Projected at \$5.7

\$5.2M Denver Small Business Investment Fund

\$500k for Technical Assistance for Cannabis Equity Applicants

## Preliminary Program Elements

**Seed Grants:** 1x grants for start-up capital

**Loans:** micro loans and larger low-interest loans

**Technical Assistance:** support with business plans, financial management, operations, marketing, Cannabis industry technical assistance, etc.

## Who will benefit?

Priority will be placed on:

- ✓ Under-resourced residents/ neighborhoods
- ✓ Justice-involved, Veterans, Women, People with disabilities
- ✓ People with barriers to accessing capital / support
- ✓ Cannabis Social Equity applicants

# Preliminary Next Steps

## Q3 & Q4 2021

Meetings/focus groups with industry experts, community providers, and small businesses

Q3: 9/22/21

Request for 2022 budget approval via City Council budget hearing

Q4: Release request for Qualifications/Info (RFQ/RFI)

## Q1 & Q2 2022

Further develop program based on community feedback and RFI/RFQ responses

Q1: If budget approved, select program partners

City Council approval process for contracts – briefings, Biz Committee, City Council approval

Q1-Q2: Program implementation

## Q3 2022- 2023+

Program implementation

Program evaluation and expansion

## Budget Equity Framework Summary

*The Denver Small Business Investment Fund is designed with equity as its foundation and is an equity tool that will be used as Denver's economy expands post-pandemic. Increasing investment in entrepreneurs and small businesses with a new, progressive program that will focus on providing capital to small businesses needing to start, restart, restructure, improve upon or grow in their endeavors. **Focus:** Economic diversity, generational wealth building*

## City Council Priority Summary

- *City Council Priority 4: Prioritize and support the recovery, resilience and encourage innovation of our workforce, local businesses, and community organizations*
  - *Small business assistance: BIPOC and other under-resourced communities have identified access to capital and need for technical assistance as a primary barriers to their success.*



# 2022 American Rescue Plan Act Funding

Recommended Recovery /Supplemental Services	2022 Amount
Business Impact Opportunity Fund (BIO Fund) – small business grants	\$5,000,000
Entrepreneur Support/Center	\$2,000,000
Downtown Seasonal Activation Grants	\$400,000
Downtown Vacant Retail Activation	\$1,700,000
Tourism Activation	\$400,000
Small Business Program Navigator program (NEST)	\$600,000
NEST Neighborhood Activation Grants	\$2,000,000
Code Violation Remediation – businesses (\$500k) and homeowners (\$500k) – DEDO and HRCP	\$500,000
<b>Total</b>	<b>\$12,600,000</b>

## ARPA Budget Equity Summary

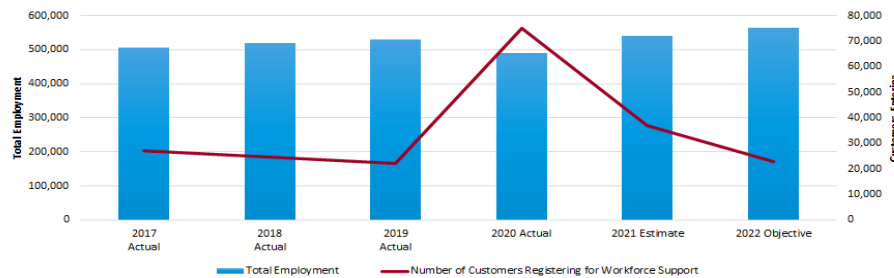
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# Thank You & Questions

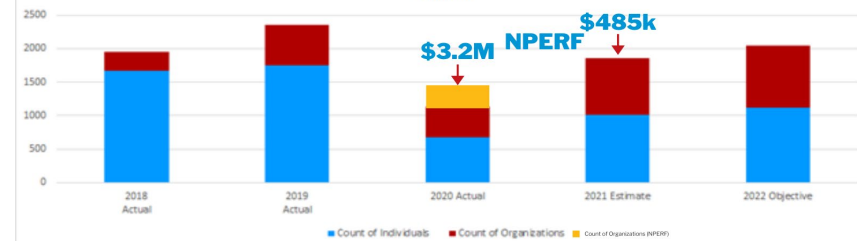


# Appendix: Key Strategic Metrics

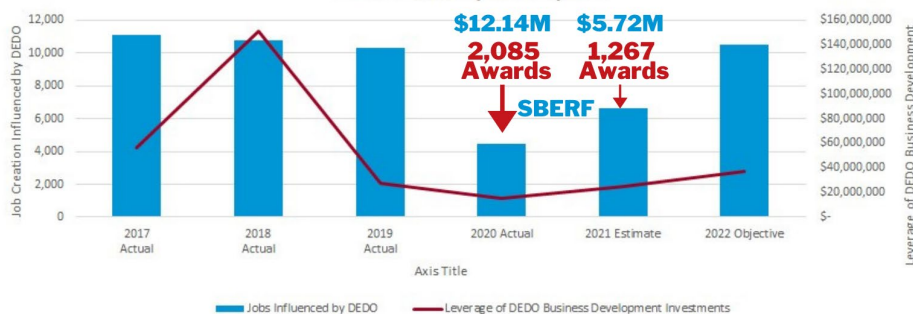
**Total Employment and Customers Entering Employment**



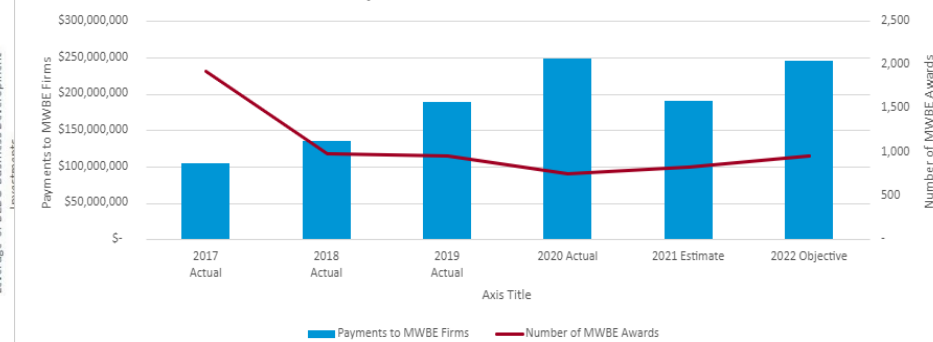
**NEST: Individuals and Organizations Receiving Support**



**Business Development Impacts**



**DSBO Payments and Awards to Certified Firms**





# Appendix: Key Strategic Metrics

## Denver Construction Careers Pilot (DCCP) Metrics:

Denver Construction Careers Pilot Snapshot  
(January 1, 2019 – June 30, 2021)

**9,322**

**TOTAL WORKERS**

**4,334**

**NEW HIRES**

\$ **\$30.84 Avg. Wage**

\$ **\$28.92 Avg. Wage**

**27%**

From  
Denver

**15%**

From DEDO  
Target  
Zip Codes

**10%**

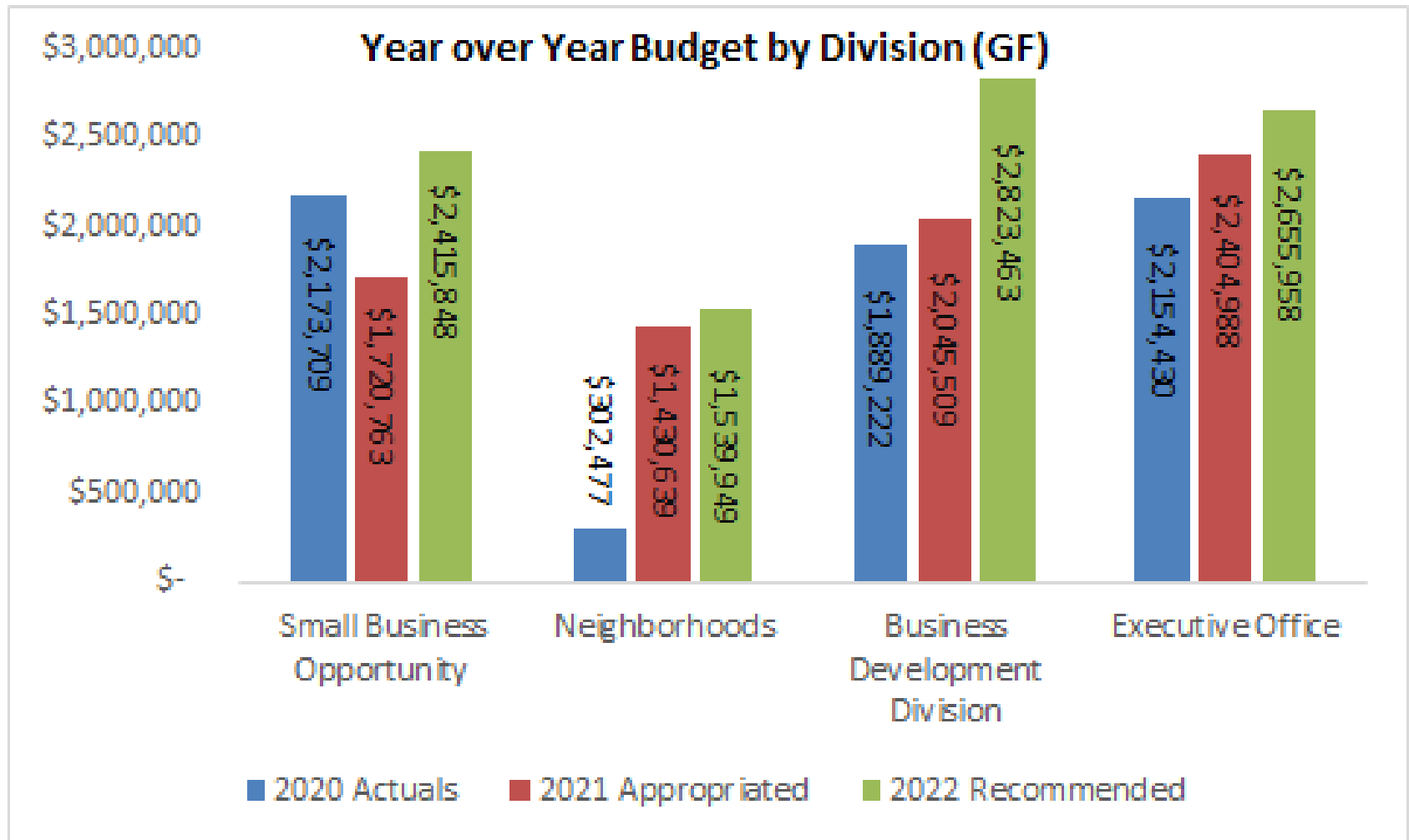
Apprenticeship  
Rate  
Average



DCCP data will continue to be tracked closely, with targeted outreach to

- ☒ Veterans
- ☒ TANF recipients
- ☒ History of Homelessness
- ☒ History with Foster Care
- ☒ Graduates of pre-apprenticeship programs
- ☒ Target zip codes

# Appendix: YOY General Fund Budget



# Appendix:

## YOY General Fund FTE

