



Legislation Text

File #: 20-0554, Version: 1

**Contract Request Template (Contracts; IGAs; Leases)**

**Date Submitted:** 6-08-20

**Requesting Agency:** Denver Economic Development and Opportunity  
**Division:**

**Subject Matter Expert Name:**

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**Item Title & Description:**

*(Do not delete the following instructions)*

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

**A resolution approving and providing for the execution of a proposed Grant Agreement between the City and County of Denver and the United States of America Department of Housing and Urban Development concerning the "Community Development Block Grant FY20" program and the funding therefor.**

Approves a grant agreement with the U.S. Department of Housing & Urban Development (HUD) for the 2020 allocation of \$6,821,276 through the Community Development Block Grant (CDBG) program to improve housing and living conditions and expand economic opportunities for low- and moderate-income persons (OEDEV-202054913). The last regularly scheduled Council meeting within the 30-day review period is on 8-3-20. The Committee approved filing this item at its meeting on 6-17-20.

**Affected Council District(s) or citywide?** Citywide

**Contract Control Number:** OEDEV-202054913

**Vendor/Contractor Name (including any "DBA"):** U.S. Department of Housing & Urban Development (HUD)

**Type and Scope of services to be performed:**  
EXECUTIVE SUMMARY

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. For program funding, each agency issues a Notice of Fund Availability (NOFA), conducts pre-proposal briefings, reviews proposals, and announces the awardees, typically on an annual basis.

NOFA applications are evaluated and scored by DEDO and HOST staff, other city agency staff, and community members. Community reviewers are chosen based on their knowledge and experience in the program areas (housing, neighborhood development, and business development). Awardees are selected based on their ability to achieve measurable outcomes supporting Mayor Hancock's priorities as well as the city's strategic plans for housing, community, and business investments. Evaluation criteria also scores each applicant's project plan, organizational capacity, financial capacity, and prior performance when applicable.

CDBG funds also help leverage many programs and projects funded by city sources. The majority of development projects are funded through loans, helping to generate future program income from these loans for the city's reinvestment into additional projects and programs.

While Denver's 2020 CDBG grant is approximately the same size as 2019-it is \$24,396 higher--CDBG allocations to Denver over the last decade have decreased almost 25%. Here is the ten-year summary of Denver's CDBG allocations:

Program	Program Year	Authorized Amount
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CDBG	2009	\$8,961,951
CDBG	2010	\$9,613,417
CDBG	2011	\$7,939,513
CDBG	2012	\$6,957,695
CDBG	2013	\$7,170,263
CDBG	2014	\$6,859,983
CDBG	2015	\$6,687,320
CDBG	2016	\$6,531,090
CDBG	2017	\$6,602,257
CDBG	2018	\$6,859,369
CDBG	2019	\$6,796,880
CDBG	2020	\$6,821,276

**Location (if applicable):**

**WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):**

**Are WBE/MBE/DBE goals met (if applicable)?**

**Is the contract new/a renewal/extension or amendment?**

**Was this contractor selected by competitive process or sole source?**

**For New contracts**

**Term of initial contract:** January 1, 2020 - December 31, 2020

**Options for Renewal:**

**How many renewals (i.e. up to 2 renewals)?**

**Term of any renewals (i.e. 1 year each):**

**Cost of initial contract term:** \$6,821,276

**Cost of any renewals:**

**Total contract value council is approving if all renewals exercised:**

**For Amendments/Renewals Extensions:**

**Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?**

***If length changing***

**What was the length of the term of the original contract?**

**What is the length of the extension/renewal?**

**What is the revised total term of the contract?**

***If cost changing***

**What was the original value of the entire contract prior to this proposed change?**

**What is the value of the proposed change?**

**What is the new/revised total value including change?**

***If terms changing***

**Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)**