

Michael B. Hancock
MAYOR



City and County of Denver

OFFICE OF THE MAYOR
CITY AND COUNTY BUILDING
DENVER, CO 80202-5390
TELEPHONE: 720-865-9090 • FAX: 720-865-8787
TTY/TTD: 720-865-9010

October 14, 2020

Dear Council President Gilmore, Council President Pro Tem Torres and Members of City Council,

Thank you for your participation in and questions during the agency budget meetings, as well as your deliberative process to develop the recommendations for adjustments you proposed for my 2021 budget proposal. I am also appreciative of the willingness to suggest funding solutions - like the suspension of the Fair Elections Fund transfer in 2021 - that recognize our challenging fiscal constraints and allow us to preserve essential city services.

As I shared during the budget launch on Sept. 15, the impacts of COVID-19 on our local economy have been devastating and resulted in 2021 being one of the most challenging budgets to produce in recent memory. Tough decisions were made in all areas, and the budget reflects the priorities of supporting those in our community who are the most vulnerable and under-resourced, continuing to respond to the coronavirus pandemic and protect public health, keeping our neighborhoods safe, and getting people back to work by rebuilding our local economy. Importantly, my 2021 budget proposal is balanced, equitable and fiscally responsible, which allows us to keep our reserves at 12%, an important component to maintaining our AAA rating with all three credit rating agencies.

Given the significant challenges we are facing for 2021 and significant budget reductions implemented in the proposed budget, I appreciate City Council's suggestion to decrease the General Fund transfer to the Fair Elections Fund as a source of funding. The total amount of the transfer for 2021 is \$2,090,000. If City Council suspends this transfer through the legislative process, we will work through the Council to move funds from the Fair Election transfer to support a majority of the requests. We are working with the City Attorney's Office to draft appropriate legislation that we will share with you to request these changes in the 2021 budget.

I have carefully reviewed your requested budget requests and offer the following:

Item 1: \$3 million for STAR Expansion

Now entering its fourth month of operation, early data from the Support Team Assistance Response (STAR) program pilot is showing promising results that suggest the pilot is successfully providing resources and support to people right where they are, right when they need them. I agree the pilot should be scaled in a sustainable fashion and want to do so based on the forthcoming recommendations of the STAR Expansion Work Group. The work group, which is made up of representatives from the community and organizations who developed the pilot program, will make evidence-based recommendations on program. I believe it is critical to hear their recommendations before implementing permanent changes. My original proposed 2021 budget commits \$1 million to support the strategic expansion of the program, and the city will request another \$1 million from the Caring For Denver Foundation for a total \$2.2 million investment in 2021 – ten times the amount of the current pilot. I support an additional \$500,000 for the program from budget savings and the Fair Election funds transfer and will also increase our match request to Caring for Denver. This will bring the program to more than \$3 million in funding in advance of the recommendations made by the Expansion Work Group. I appreciate Council's strong support of the program and concerning council's request to move funds from 911 to DDPHE, this change will be reflected in the revised budget I submit next week.

Item 2: \$220,000 for Transportation Management Associations

Our Transportation Management Associations are important public-private partnerships that help us implement transportation demand management programs and services to improve our air quality and reduce congestion. I appreciate the recommendation and will redirect funds from the Fair Elections transfer to the Department of Transportation and Infrastructure to restore budget to support grants to the five Denver TMAs.

Item 3: \$391,800 for Rental Registry

I support funding of the technology and staffing for the first phase of this registry from General Fund Contingency once the rental registry ordinance, which should be accompanied by a full stakeholder outreach process, is passed by council.

Item 4: \$300,000 for Digital Inclusion

The pandemic and resulting reliance on digital technology has only increased the challenge for families and individuals in under-resourced communities, including those experiencing homelessness. Upon passage of enabling legislation by City Council, \$300,000 will be allocated from the Fair Elections Fund transfer to Denver Public Library and the Office of Children’s Affairs to support this request.

Item 5: \$71,700 for the Citizen Oversight Board

The Citizen Oversight Board performs an important function in ensuring independent oversight of the city’s safety agencies. Upon passage of enabling legislation by City Council, additional funds totaling \$50,000 to match existing funding already budgeted for the existing part-time position will be leveraged from the Fair Elections Fund transfer to support this \$71,700 FTE request.

Item 6: \$50,000 for Office on Aging Expansion

Our Denver Office on Aging is an important advocate for older adults and based on guidance from the Department of Human Rights and Community Partnerships, which oversees the Office on Aging, we will utilize \$50,000 from the Fair Elections Fund transfer to support this request, upon approval of the enabling legislation by Council.

Item 7: \$1 million for Legal Support for Eviction Defense

My administration continues to monitor the rate of eviction filings in the city as we have since the earliest days of the pandemic and will continue to advocate for those in our community who are experiencing housing instability. I agree the city must address a looming eviction crisis now, as evidenced by our increased funding for cash assistance to families and property tax relief for homeowners in my proposed 2021 budget and our continued use of federal and local funding for rental, utility, mortgage, and eviction assistance. Unfortunately, even with this work, we must also prepare to support those who will still face eviction. Upon enabling action by Council, I will allocate \$1 million from the Fair Elections Fund transfer to the Department of Housing Stability for increased legal support for eviction defense.

Item 8: Public Restrooms in Parks

While not a formal funding request, your letter also raises concerns about public restrooms. In the earliest days of the pandemic, our Parks and Recreation team worked with the Department of Public Health and Environment to support installation of multiple hand sanitizing stations throughout the city as well as continuing to assess and support portable restrooms in areas of the city where they are needed. By years’ end, DOTI will also be well underway with installation of an additional public restroom in downtown with funding secured for a second facility. The Department of Parks and Recreation has identified a financial need of \$365,000 to support restroom operations in our city’s parks in 2021. Upon enabling action by Council, I will allocate \$365,000 from the Fair Elections Fund transfer for public restroom operations in city parks.

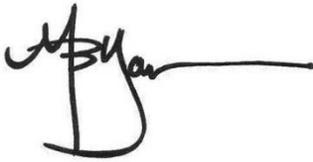
Item 9: Youth Violence Prevention

As Mayor, there are few things more concerning to me than the rising trend of youth violence in our community and across the country. My 2021 budget sets aside \$78.1 million for youth programs, including an additional \$516,000 for community-driven youth programs. Additionally, my Youth Violence Prevention Action Table (YVPAT) – a conglomerate of youth, community and city leaders convened to identify immediate and actionable items

needed to support youth violence prevention efforts – is reviewing the most appropriate agency to house youth programs. I appreciate Council’s feedback and look forward to considering it as I review the YVPAT’s forthcoming recommendation about the most appropriate organization to administer youth programming in the future.

I want to reiterate my appreciation for your input and proposals. We were able to make these changes while still maintaining our financial stability and staying true to our Denver values. I look forward to working with City Council in the coming year to put these investments into action supporting an equitable and sustainable recovery from the pandemic and economic crisis.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Hancock", with a long horizontal line extending to the right.

Michael B. Hancock
Mayor