



October 18, 2024

Dear President Sandoval, President Pro-Tem Romero Campbell, and Honorable Members of the City Council,

Thank you for your continued partnership and thoughtful responses as we work to refine the 2025 budget. As we navigate one of the tightest budgets of the last decade and a significant drop in federal funding, I'm committed to working together to deliver a balanced budget that protects the vital city services residents deserve. Through these efforts, we will continue to build a more vibrant, more affordable, and safer Denver.

After receiving your feedback on the initial 2025 budget proposal, I worked with city staff and budget officials to review the suggestions. I'm delighted to report that, thanks to your thoughtful suggestions, the city's revised 2025 budget will include millions in additional funding for rental assistance, small business support, residential public health inspections, youth programs, and safer streets initiatives.

I have also worked to incorporate a number of your requests by using existing resources, including staffing for photo radar enforcement and planning for a food justice fund. Having your support for these and other vital city services will be essential as we work to deliver a budget that truly reflects our shared values.

Newly Reflected in the 2025 Budget

Enhancing Construction-Related Support for Small Businesses | additional \$1.1 million

Denver's small businesses are the heart and soul of communities in every corner of the city. That's why we are putting an additional \$1.1 million into supporting small businesses across Denver that may be affected by construction-related impacts from infrastructure projects. This brings the total available funding for small business support during construction to \$3.9 million for 2025.

New Amenities for Gig Drivers at Denver International Airport | \$176,000

Denver International Airport serves millions of people each month, including Denverites who provide transportation (e.g., rideshare drivers, taxi drivers) to residents and visitors. The airport's 2025 budget will include \$176,000 to enhance the experience for drivers operating from the commercial parking lot.

Strengthening Public Health Inspections of Residential Properties | \$400,000 for two new FTE

Denver residents deserve safe living conditions, no matter where they live. A new analyst and investigator on the public health investigations team in the Department of Public Health and Environment (DDPHE) will allow for more capacity to conduct residential health inspections that are at the heart of this mission. This will support DDPHE's goals of taking earlier enforcement action when violations of the housing code are documented, increasing engagement with tenants' unions, and meeting ongoing needs for data analysis, public data sharing, and open records requests. These new FTEs will be two-year positions to start, while the city assesses ongoing needs and outcomes.

Increasing Rental Assistance | additional \$3 million

Keeping people in their homes, despite rising rents, is a priority shared by my administration and City Council. Together with our nonprofit housing partners, we are carefully stewarding our Temporary Rent and Utility Assistance (TRUA) resources toward households who are most vulnerable to eviction and homelessness. We're also committed to ongoing program evaluation to ensure our dollars go as far as possible, including an independent evaluation of the TRUA program by the People Lab at Harvard University.

Increasing our Investment into Youth Programs | additional \$1.5 million

We believe Denver can be the best city to raise a child from cradle to career. In 2025, we will undertake a comprehensive planning process in partnership with the Office of Children's Affairs, our many non-profit and community partners, City Council, Denver youth and families, and other city agencies offering youth services. We will focus on affordable childcare, afterschool and summer programs, youth work options, and youth violence prevention. We will also have a particular emphasis on identifying a sustainable funding approach as the local and federal grants currently funding this work come to an end.

Investing in Safe Routes to School, Safer Streets | additional \$1 million plus federal support

Traveling across our city should be safe for residents and visitors alike, and there are many projects underway to fulfill that promise. This is especially important for our most vulnerable roadway users, including people who walk, bike, and roll. Our revised 2025 budget will reflect an additional \$1 million toward the design of future Safe Routes to School projects. Along with other street safety improvements budgeted for 2025, we will have an additional \$6.7 million from a Safe Streets for All federal grant to support future Vision Zero work. Collectively, the revised 2025 budget will now provide \$12.8 million toward Safe Routes to School, Neighborhood Traffic Management, and Vision Zero, a significant increase over the \$4.9 million budgeted across these three areas in 2024.

Sustaining Digital Equity Initiatives | \$81,000

Bridging the digital divide is essential for bringing opportunity to every community. That's why we are thrilled that multiple agencies, including the Denver Public Library (DPL) and Denver Economic Development and Opportunity (DEDO), participate in the Denver Digital Equity Coalition and offer services that decrease the digital divide for underserved communities. We will continue to pursue state funding to supplement this work and also ensure that the Digital Equity Coalition remains staffed in our Office of Social Equity and Innovation in the meantime.

Supported through Existing Resources and Processes

Across multiple city agencies, our 2025 work program will also address the following requests either through existing resources or with future decisions informed by studies currently underway:

Transitioning Responsibilities of the Newcomer Program

After dealing with an unprecedented influx of nearly 43,000 new arrivals over the last two years – more per capita than any city in the nation – the outlook for 2025 is quite different. As the influx of

new arrivals has slowed, we plan to build upon our long-term, sustainable strategy by moving the Newcomer Program, its initiatives, and its budget from Denver Human Services (DHS) to the Human Rights and Community Partnerships (HRCP) Immigrant and Refugee Affairs Division. Due to the time needed to responsibly reconcile existing grants and shift resources and staff to a new agency, we will bring this move to City Council in a separate ordinance in early 2025.

Continuing the Successful WorkReady Program

When we launched the WorkReady Denver program earlier this year, we sought to connect newcomers with transferable skills that met immediate needs in Denver, while building a talent pipeline for professions facing significant labor shortages. Helping people become self-sufficient has benefited these families, employers, and the city as a whole. We will keep the WorkReady program contract for supporting newcomers in upskilling and have funding available for future referrals as part of the 2025 budget.

Establishing a Food Justice Fund

Access to healthy food is the cornerstone of building a healthy community. Because of the importance of this goal, we are currently conducting a progress report for the [Denver Food Vision](#), the strategic plan guiding food security efforts through 2030. In 2025, DDPHE will use that report to guide planning efforts for a broader framework on food security, including community needs for capacity, stability, and coordination. This plan will likely encompass many of the elements being requested by City Council. As that work is being conducted, over 20 city agencies developed a new community [toolkit](#) and continue to collaborate as part of the Denver's Food Interagency Group to improve food access for all residents.

Continuing Support for the STAR Program

Improving public safety for the entire community requires sending the right responders for each incident. The funding already budgeted for the Support Team Assisted Response (STAR) program in 2025 will improve the efficiency of current operations to support more STAR calls during operating hours (6 a.m. to 10 p.m., 7-days per week). It will allow the city to hire another public health analyst and a behavioral health manager as well as extend its contract with Servicios de la Raza. Additionally, in the spring, we are anticipating a report from Urban Institute, a third-party evaluator, which will include a study on costs, long-term outcomes, and a scaling assessment. This report, which we will share with Council, will be invaluable as we plan for future expansions of the program.

Maintaining Existing AID Center Operations

In May 2024, we established the Office of Neighborhood Safety (ONS) within the Office of Social Equity and Innovation. This new office oversees multiple programs previously managed by the Executive Director of Safety with an eye toward community wellbeing and equity, including the Assessment, Intake, and Diversion (AID) Center, Office of Community Violence Solutions, Public Safety Youth Programs, and STAR Dispatch. As this new office and its Community Advisory Board are still developing, it is premature to transfer the AID Center operations for a second time in one year. The Roads to Recovery team within DDPHE will work closely with ONS to leverage the AID Center as a place where Roads to Recovery clients can access care and connect to services.

Continuing Support for Language Access Plans

Due to recent turnover, the Language Access team currently has two vacant positions that remain funded in the proposed 2025 budget. Before hiring new staff, HRCP is working to determine the best structure of this team moving forward and retains the personnel budget needed to continue facilitating language access plans.

Staffing for Photo Radar Enforcement

There are many city initiatives to reduce speeding on our streets, from various speed enforcement technologies to installing traffic calming measures. In 2025, this will include maintaining our use of photo enforcement vans, with a focus on recruiting and retaining photo enforcement staff. Photo radar technicians are a relatively high turnover classification in which there are currently vacancies that are already budgeted and can be filled.

Funding for Sheriff Mental Health Programs

It's critical that we support mental health and substance misuse programs at our jail facilities. That's why the 2025 budget includes robust support for mental health programs at jail facilities, including a 7-person crisis response team poised to hire additional positions; 35 behavioral health staff, including doctors, nurses, and mental health clinicians provided through a contract with Denver Health; and support from the new Roads to Recovery program for people with high-need mental health and substance misuse challenges. We will work with the Sheriff's Department to continue to support these programs, including potentially filling vacant positions if needed.

Staffing for Right-of-Way Enforcement

In partnership with DOTI, we budgeted for 51 right-of-way enforcement agents in 2025. This is a significant increase over actual, historical staffing on this team, which averaged 35-40 filled positions each month from 2022-2024. We believe the currently proposed budget will allow this team to continue to grow, hire, and fill positions.

Given the tighter budget year ahead of us in 2025, we do not believe it is prudent to fund the following requests at this time:

Additional Staffing for Excise & Licenses

Providing excellent customer service is a citywide goal. Like many city agencies, Excise & Licenses is open five days a week from 8 a.m. – 4 p.m., in person by appointment or as a drop-in, virtually by appointment, by email, and by phone via 311. They offer service in both English and Spanish daily, with additional support in Mandarin. This year, Excise & Licenses has decreased its 311 response time by 54% and is leveraging online dashboards to ensure clear, transparent processes for residents and license applicants. We are committed to sustaining these gains and exploring more innovative and responsive approaches, which do not always require additional staffing.

Reallocating Appointee Salaries

We believe in transparency and share City Council's goal of good governance. The number of Mayoral appointee positions allowed under the City Charter has remained unchanged for decades. Similarly, the budgeting process for appointee roles and whether they are allocated to a particular agency's budget pre-dates this administration and has been the same for at least the last 40 years. We are in the initial stage of looking into this issue and given the complexity of this request, we request more time as we explore updates to the budgeting process.

Funding for Denver Basic Income Project

Over the first year of our administration, we have worked around the clock to implement proven strategies to address unsheltered homelessness, resulting in the largest decrease in unsheltered homelessness on record thanks to the All In Mile High program. We are always interested in trying new innovative strategies to solve our toughest challenges, which is why we were one of many partners willing to provide initial funding for Denver Basic Income Project's pilot. Unfortunately, the data did not show a statistically significant difference in homelessness resolution between the groups who received large cash transfers and those who did not. Because the data showed limited results, we have directed our homelessness resolution funding toward programs that more efficiently help Denverites in need.

Funding for Safe RV Parking

While we understand the need underlying this request, we believe the best use of limited resources is to help people move out of RVs and into stable housing. This is particularly true given past challenges in finding a responsible partner to develop and operate a safe RV parking site.

Sincerely,

A handwritten signature in black ink that reads "Mike Johnston". The signature is written in a cursive, flowing style.

Mayor Mike Johnston