

The Colorado Department of Local Affairs SMART Act Presentation

January 23, 2024

Joint House Transportation, and the
Housing and Local Government and Senate
Local Government and Housing
Committees



COLORADO

Department of Local Affairs

A Message from Executive Director Maria De Cambra



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Colorado Department of Local Affairs SMART Act Agenda



- ☑ Introduction and Opening Statements
- ☑ DOLA Wildly Important Goals
- ☑ Inclusiveness, Diversity, Equity, and Accessibility
- ☑ Stimulus Funding Implementation
- ☑ Budget Request
- ☑ Legislative Priorities
- ☑ Regulatory Oversight
- ☑ Required Reports
- ☑ Proposition 123



DOLA's Mission and Vision

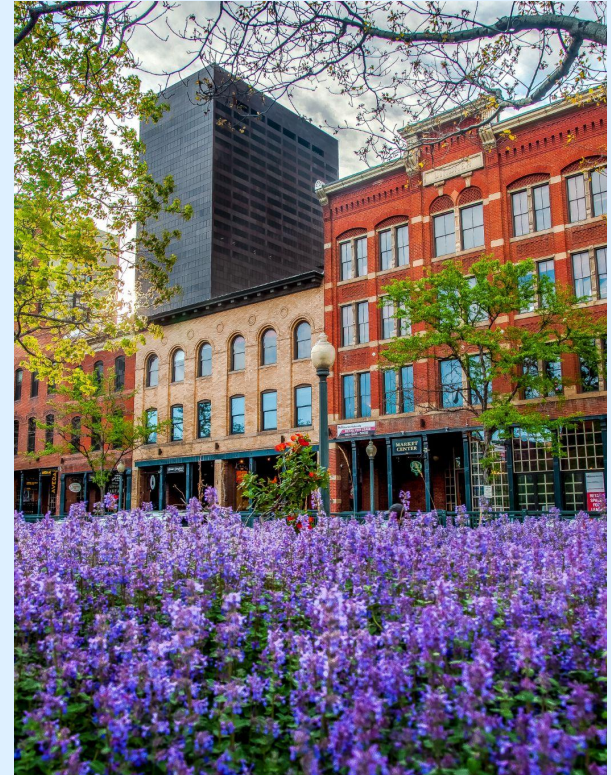


Mission

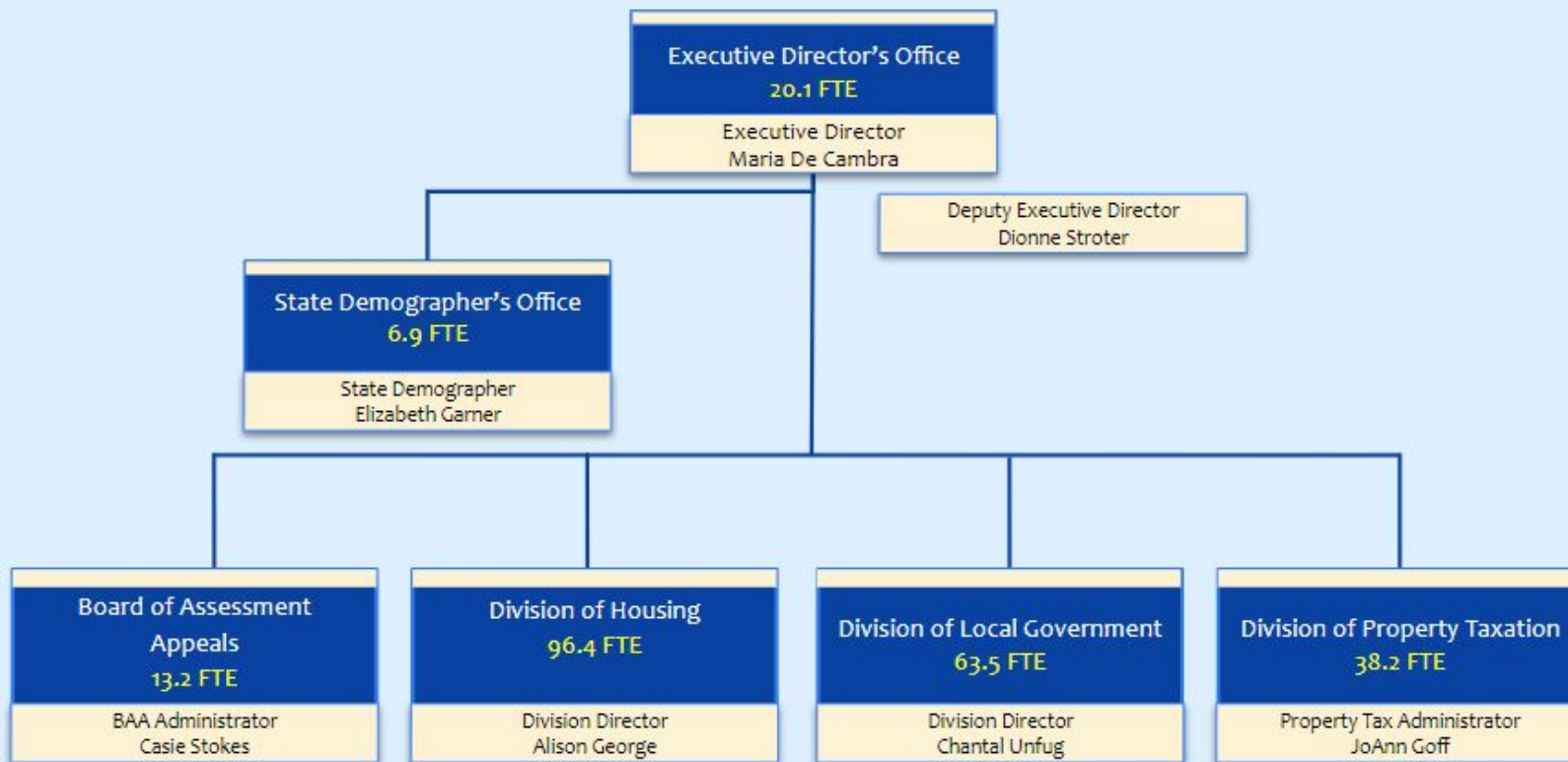
The Department of Local Affairs is responsible for strengthening Colorado's local communities through accessible, affordable and secure housing; implementation of property tax law; and increasing capacity building, strategic training, research, technical assistance and funding to localities.

Vision

Strengthen Colorado communities.



DOLA Organizational Chart



Expanding Housing Options

Spending of One Time Stimulus Funds



Increasing Operational Effectiveness and Capacity

Building Resilient Local Communities

Wildly Important Goals

Presenter

Maria De Cambra

Executive Director



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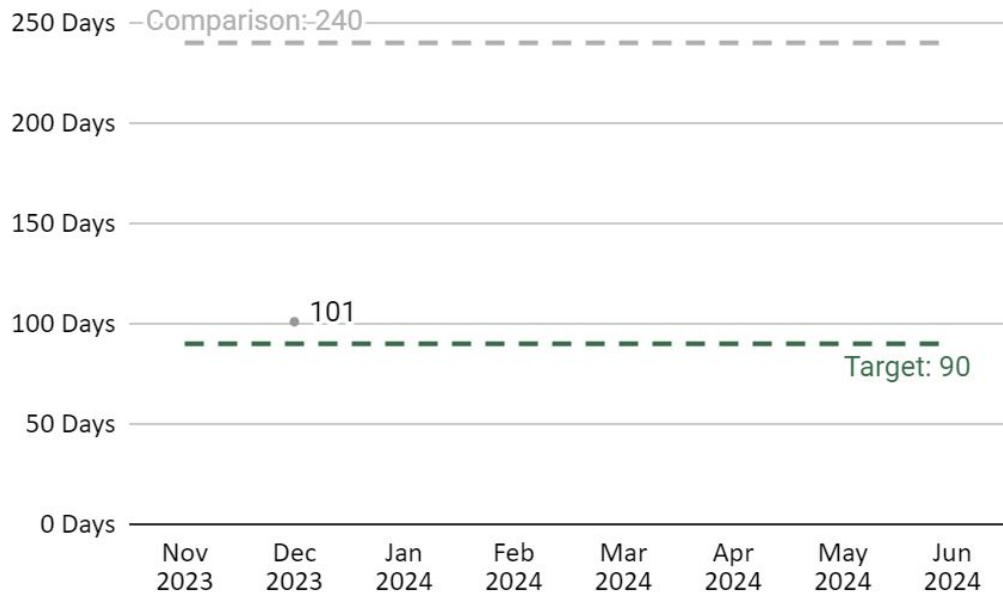
Housing: Improve Contracting Process (slide 1 of 2)



Our Goal

Reduce the median processing time to execute housing development loans and grants contracts from **240 days** to within **120 days** by December 31, 2023 and within **90 days** by June 30, 2024.

Status: On Track



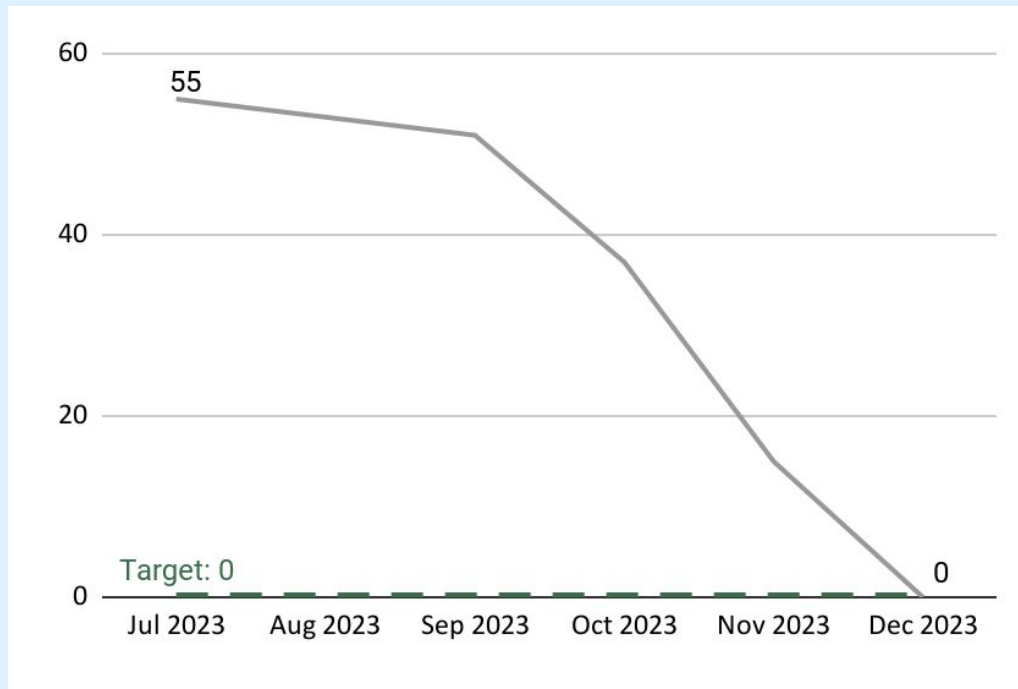


Housing: Improve Contracting Process (slide 2 of 2)



Backlogged contracts handed off prior to July 1, 2023 will be executed or withdrawn by December 31, 2023.

Status: Completed

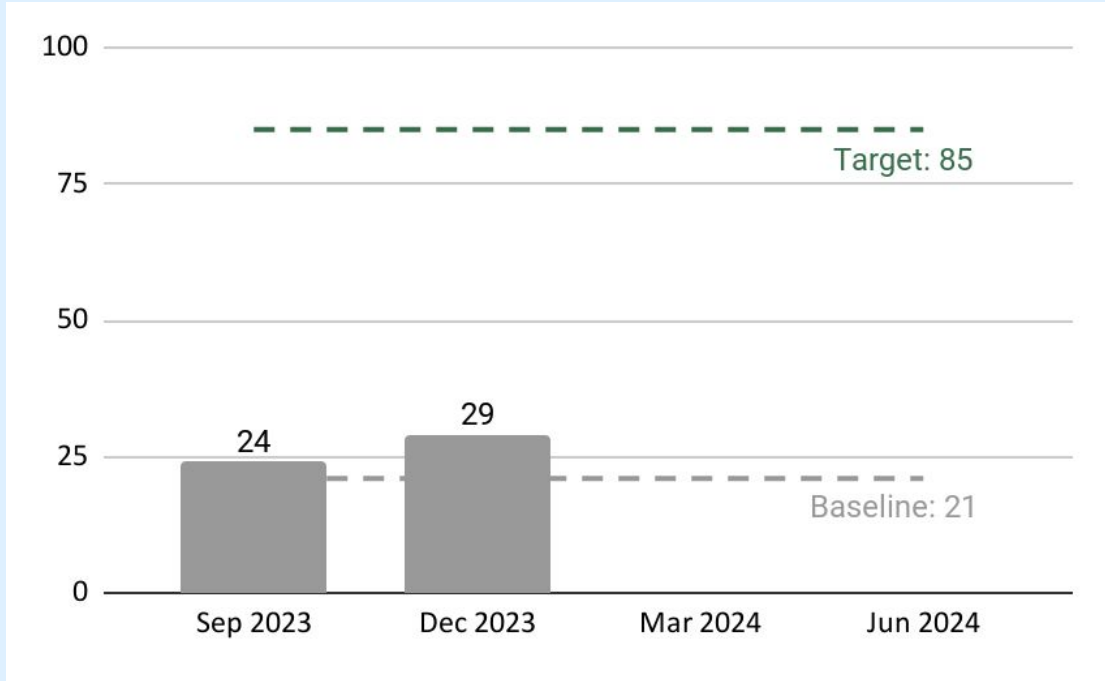




Our Goal

By June 30, 2024, **85** municipalities and counties that received technical assistance or grants will have updated their land use policies to reflect best practices.

Status: On Track



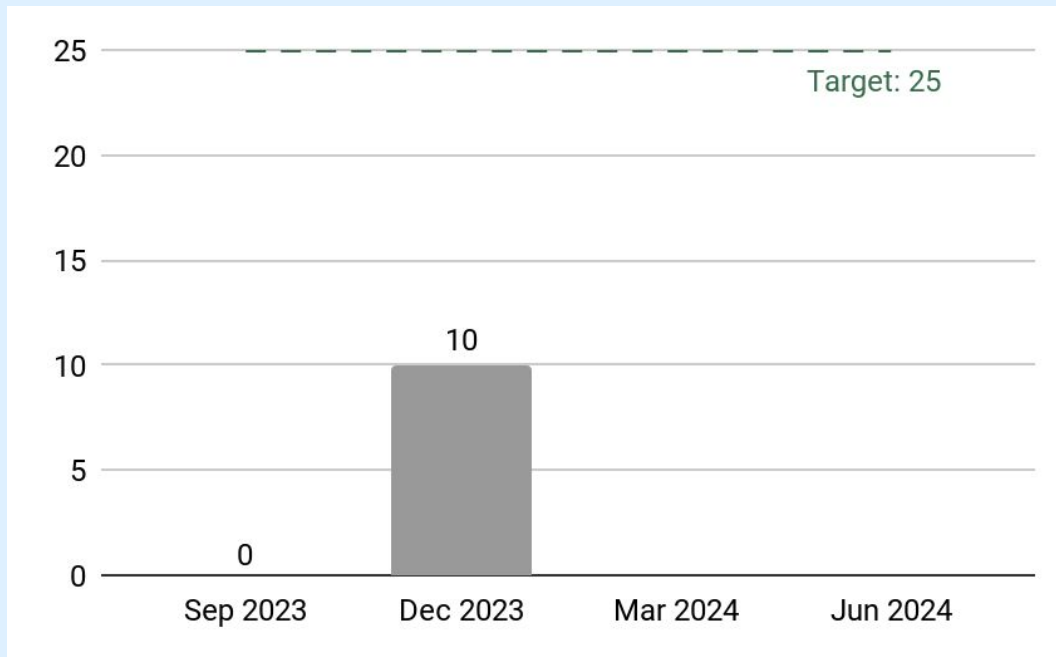


Land Use Reform (Slide 2 of 2)



Award **25** Local Governments Grants to Adopt Land Use Best Practices.

Status: On Track





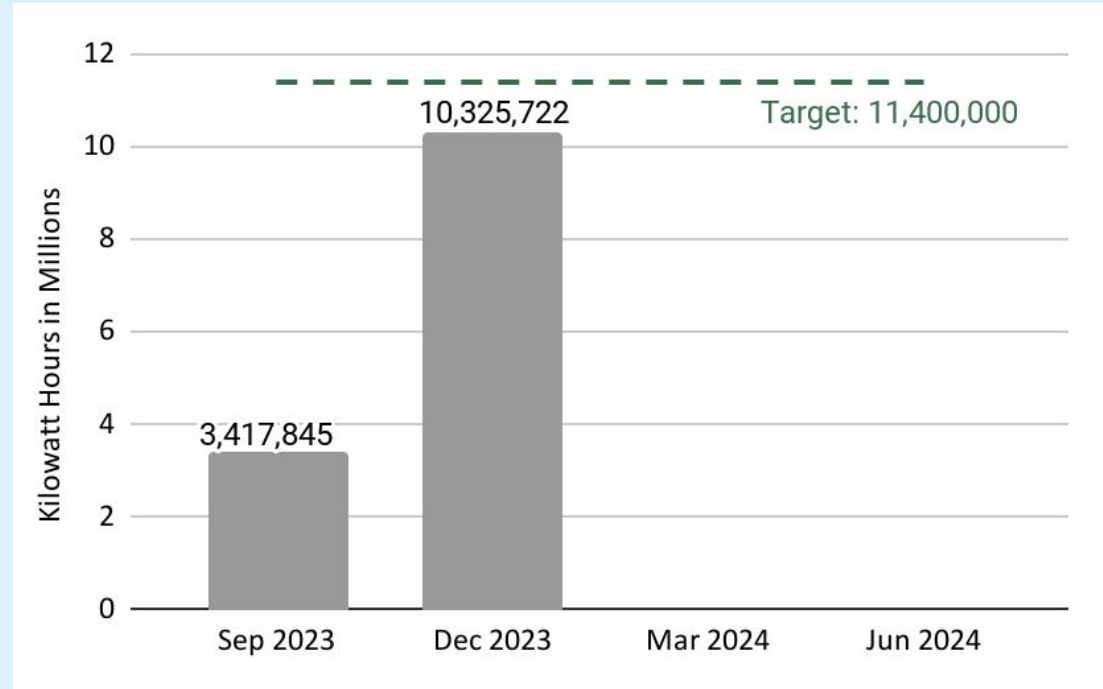
Building Resilient Communities: Energy Savings (Slide 1 of 3)



Our Goal

Enable local communities to reduce their reliance on traditional energy sources by **11.4 million kilowatt hours** annually by investing in renewable energy production and energy savings projects by June 30, 2024.

Status: **On Track**

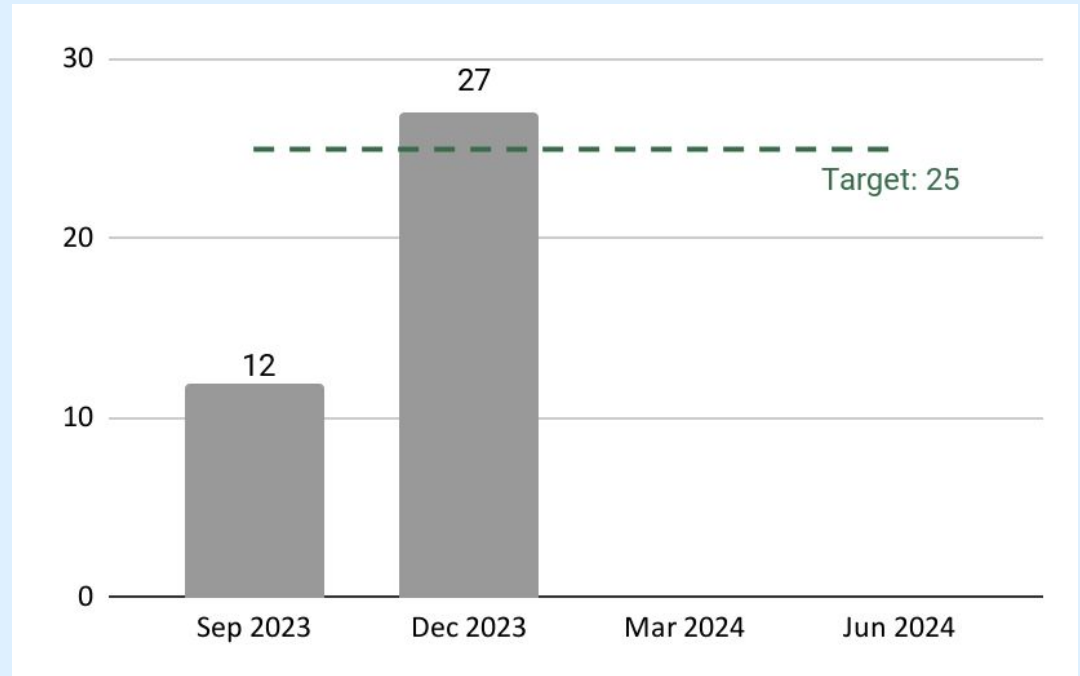




Awarding of Energy Reduction or Renewable Energy projects

25 projects with an energy reduction or renewable energy component by June 30, 2024.

Status: Completed and Exceeded

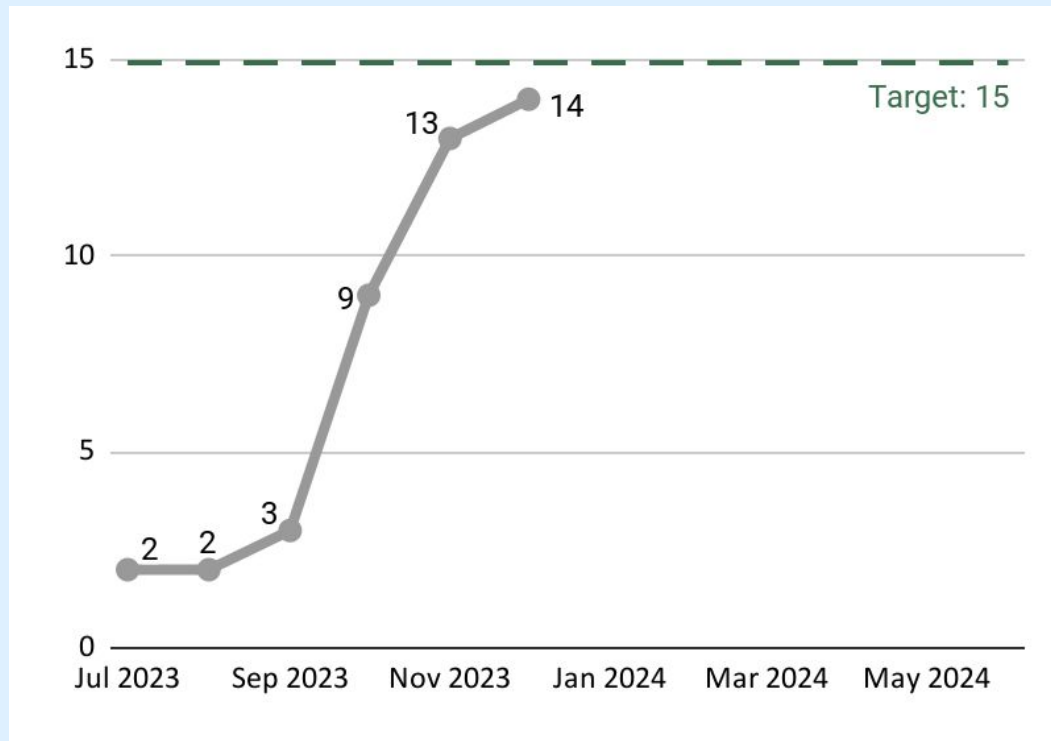




Webinars and Workshops

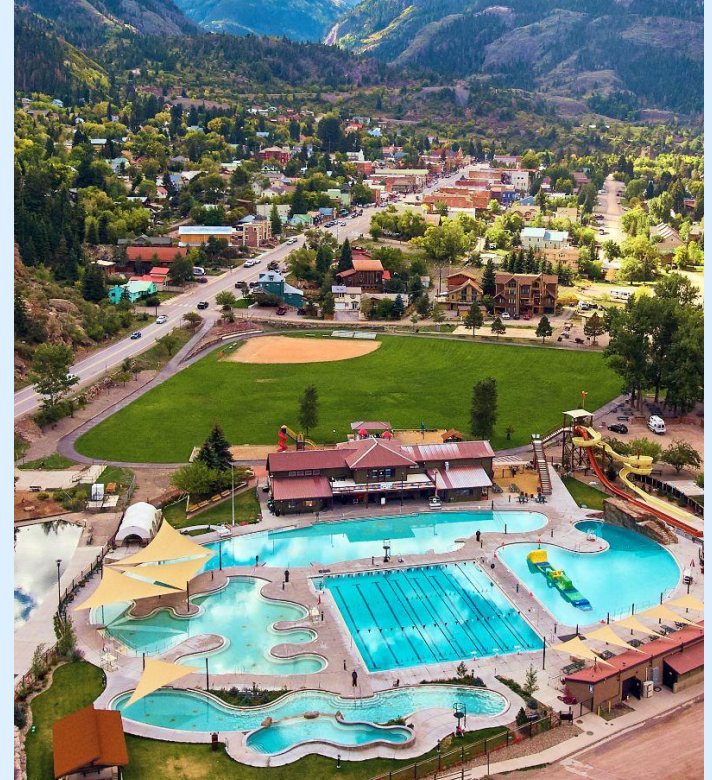
DOLA will complete **15 webinars, workshops and information sessions** that support the Climate Resilience Challenge and Microgrids Program by June 30, 2024.

Status: On Track



Governor's Dashboard

FY 2023-24 Performance Plan





Wildly Important Goal Development

- In alignment with Cabinet Working Groups, Interim Task Forces, Committees, Federal Stimulus Priorities, and Governor's Agenda.
- Supporting and reinforcing the Governor's executive order on strategic growth.

Performance Monitoring and Measurement

- DOLA has created an internal performance dashboard for monitoring and tracking performance.
- Biweekly progress updates with program leads.
- DOLA Recovery Team established to ensure compliance and coordination for stimulus programs.
- Incorporation of Wildly Important Goals in individual performance plans.

Inclusiveness, Diversity, Equity, and Accessibility

Presenter

Dionne Stroter

Deputy Executive Director



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DOLA IDEA Blueprint Plan

- Setting the Foundation through an Equity lens
- Building Engagement through Refined Systems and Processes
- Building an Inclusive Hybrid Culture
- Strengthen Belonging through Awareness and Learning

American Rescue Plan Act Equity Assessment

- Reviewed **12 State and Local Recovery Federal Recovery Funds funded programs** for equity strategy implementation per White House Equity Report recommendations.

Participant and contributor to the statewide Health Equity Commission and State Equity Office leadership workgroup.



Stimulus Funding Implementation

Presenter

Dionne Stroter

Deputy Executive Director



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DOLA Stimulus Funds by Type



Direct Distribution \$697M

- **\$255M** Emergency Rental Assistance 1
- **\$233.3M** Emergency Rental Assistance 2
- **\$175.1M** HAF
- **\$24.7M** Homelessness Assistance
- **\$8.9M** Emergency Housing Vouchers

State and Local Fiscal Recovery Funds \$473M

- **\$30M** Rental Assistance and Supportive Services
- **\$5M** Local Government Planning Grant Program
- **\$5M** Broadband Investments
- **\$0.1M** HDG Hotel Tenancy Support Program
- **\$138M** Local Investments in Transformational Affordable Housing
- **\$105M** Homelessness Response Grant Program
- **\$50M** Denver Navigation Campus Grant
- **\$45M** Repurpose Ridgeway
- **\$40M** Infrastructure Strong Communities Grant
- **\$35M** Small Community-Based Nonprofit Grant
- **\$14.9M** Emergency Rental Assistance (Special Session)
- **\$5M** Revenue Replacement (Ft. Lyon)

State Stimulus \$46.9M

- **\$15M** Direct Assistance to Undocumented Individuals
- **\$11.4M** Affordable Housing Incentive Program
- **\$7M** Innovative Housing and Community Revitalization
- **\$5M** REDI Grants
- **\$5M** Renew Grants
- **\$3.5M** Expansion of Justice Crime Prevention

General Fund Swap \$338.4M

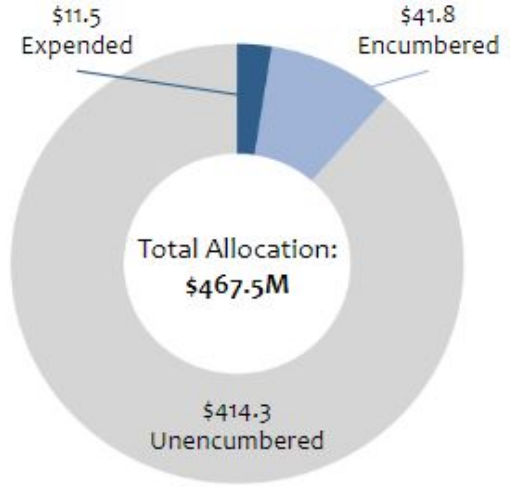
- **\$98.5M** Affordable Housing Investments
- **\$29.9M** Housing Development Grants
- **\$150M** Affordable Housing Revolving Loan Fund
- **\$35M** Mobile Home Park Empowerment Loan and Grant
- **\$25M** Middle Income Access

\$1.55 Billion Total

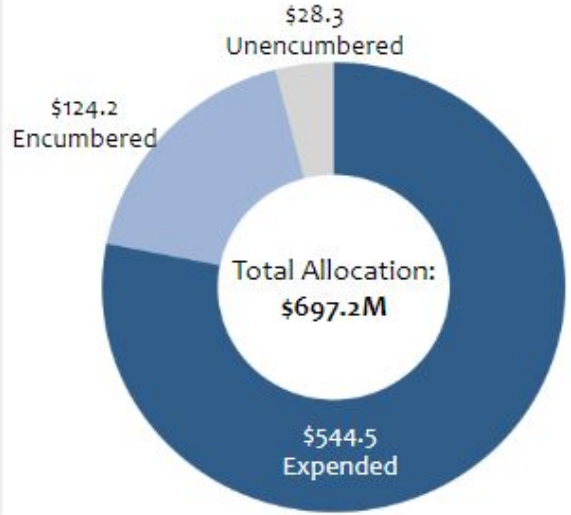
Stimulus Funding Implementation: Overall Spending as of September 2023



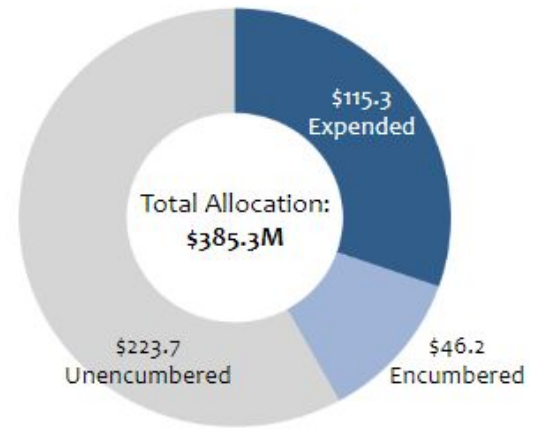
American Rescue Plan Act State & Local Fiscal Recovery



Direct to Agency Awards



State Stimulus



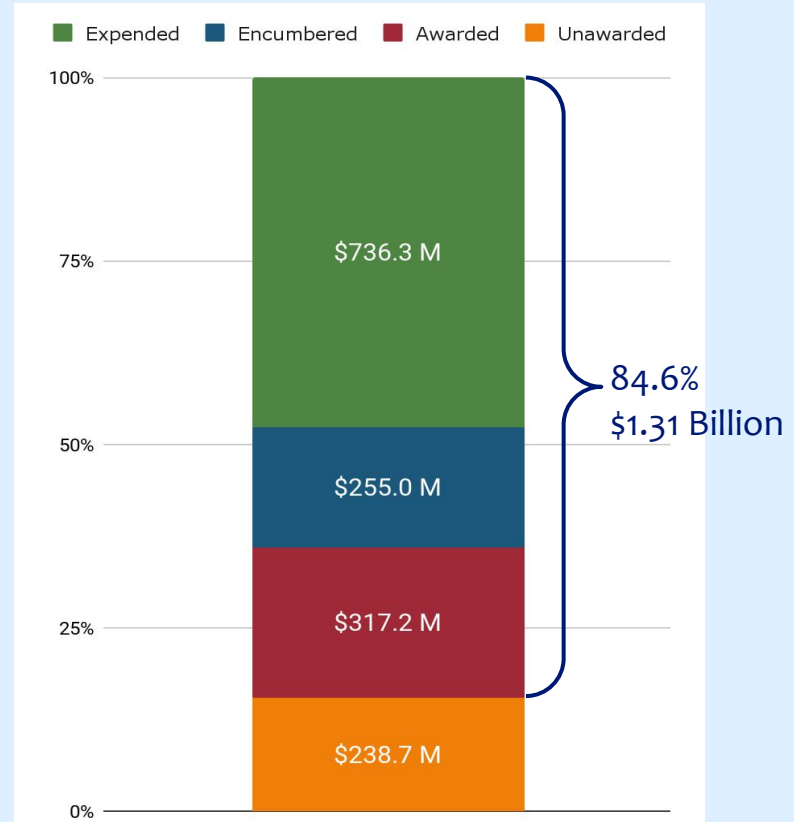
For ongoing updates, please visit Colorado's stimulus website: coforward.colorado.gov.

Stimulus Funding Implementation: Spending Pipeline as of December 2023



The department has made significant awards totaling more than \$300M including:

- **\$98,793,029** - Transformational Affordable Housing Grant Program
- **\$70,009,000** - Affordable Housing Revolving Loan Fund
- **\$44,898,502** - Denver-Metro Regional Navigation Campus Grant program
- **\$36,450,000** - Homelessness Response Grant Program
- **\$22,580,000** - Affordable Housing Investments Program
- **\$28,700,000** - Mobile Home Park Resident Empowered Loan and Grant Program Fund



The Impact of American Rescue Plan Act: Housing & Homelessness



Local Investments in Transformational Affordable Housing Grant Program & Homelessness Response Grant Program - Development

Supporting **2,942 affordable housing units** and **204 supportive housing units**

Homelessness Response Grant Program - Services

Served **2,400 households** and **26,426 individuals**

Transformational Affordable Housing Revolving Loan Fund

14 awards supporting **3,026 units**

Mobile Home Park Acquisition Fund

2 awards supporting **827 mobile home park units**

The Impact of American Rescue Plan Act: Supporting Local Communities



Local Government Planning Grant Program

29 local governments have adopted **93 strategies** to promote affordable housing solutions.

Small Community-Based Nonprofit Grant Program

489 Colorado Nonprofits and Businesses Served.

Infrastructure and Strong Communities Grant Program

2100 plus new affordable housing units for Coloradans.

Affordable Housing Incentive Grant Program

2642 new affordable housing units for Coloradans.

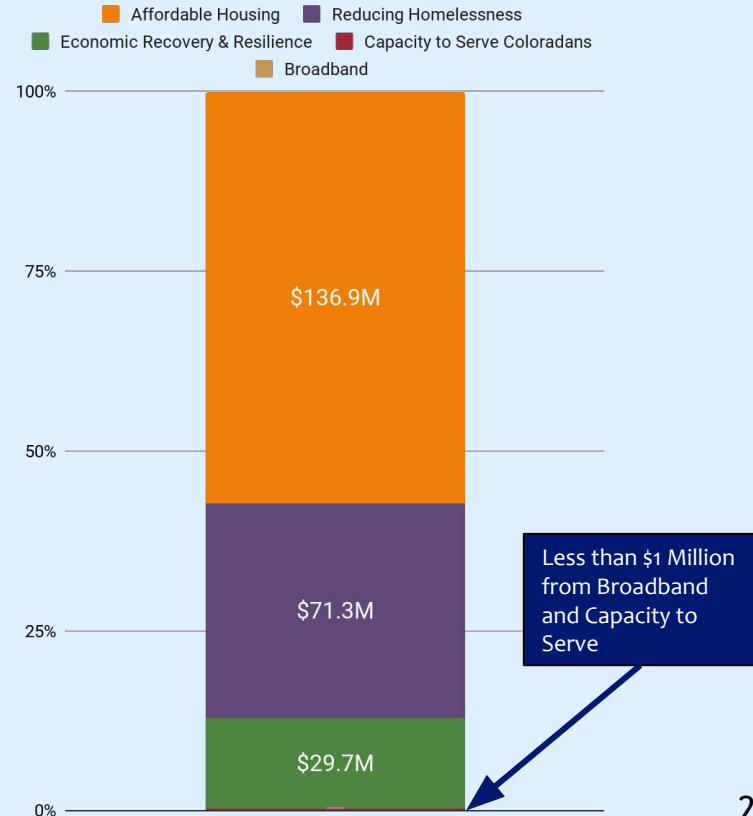


Funds Remaining as of December 2023

The department is on track to spend more than **\$200 million** in future funding cycles, with more than **\$60 million** by June 2024 alone.

The majority of the remaining funds include

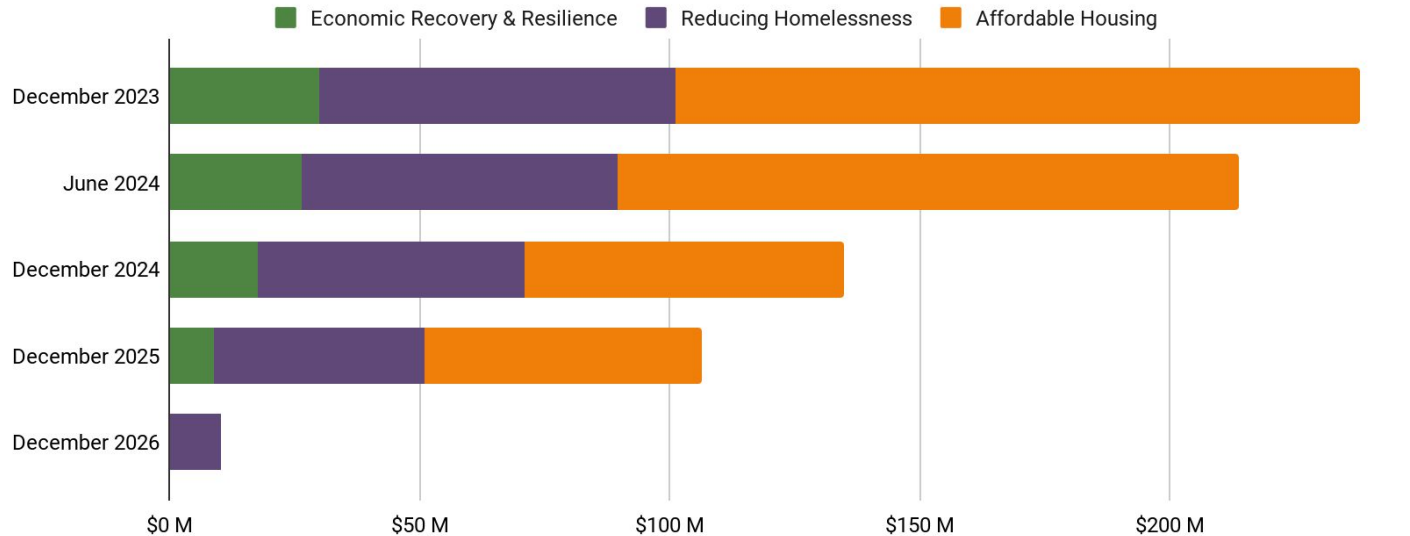
- **\$79,044,344** Affordable Housing Revolving Loan Fund
- **\$43,712,152** Repurpose Ridgeview Campus
- **\$38,148,150** Infrastructure and Strong Communities Grant Program
- **\$29,741,360** Small Community-Based Non-Profit Program



Stimulus Funding Implementation: Projected Spending



Projected Funds Remaining through 2026 by Major Program Category



Budget Request

Presenter

Scott Olene - Finance Director



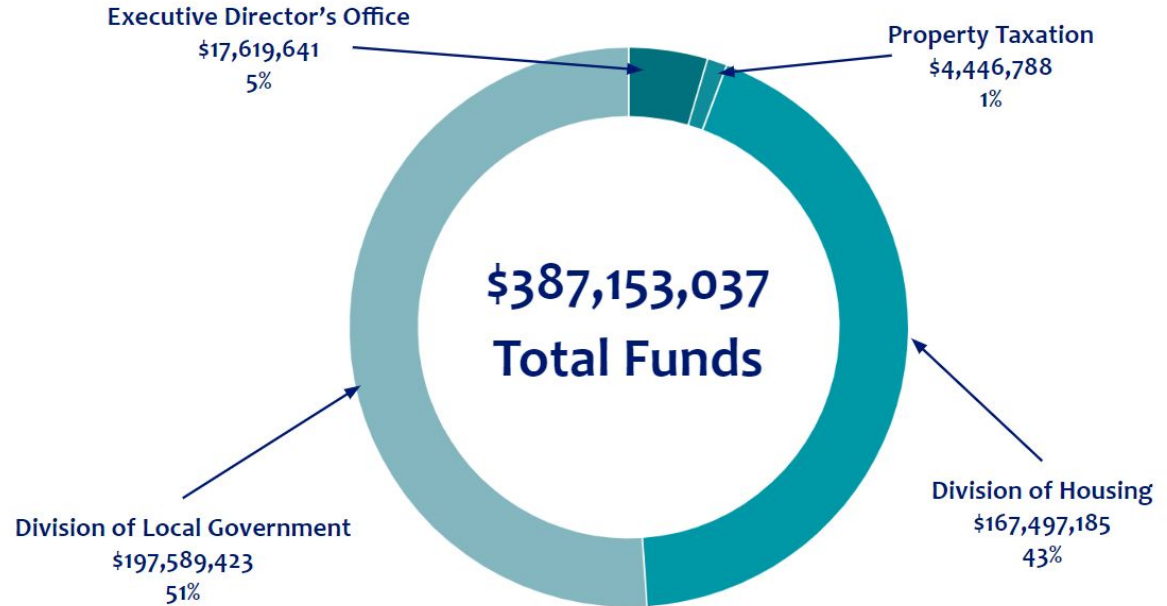
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FY 2024-2025 Budget

Total State Funds: \$387.2 million

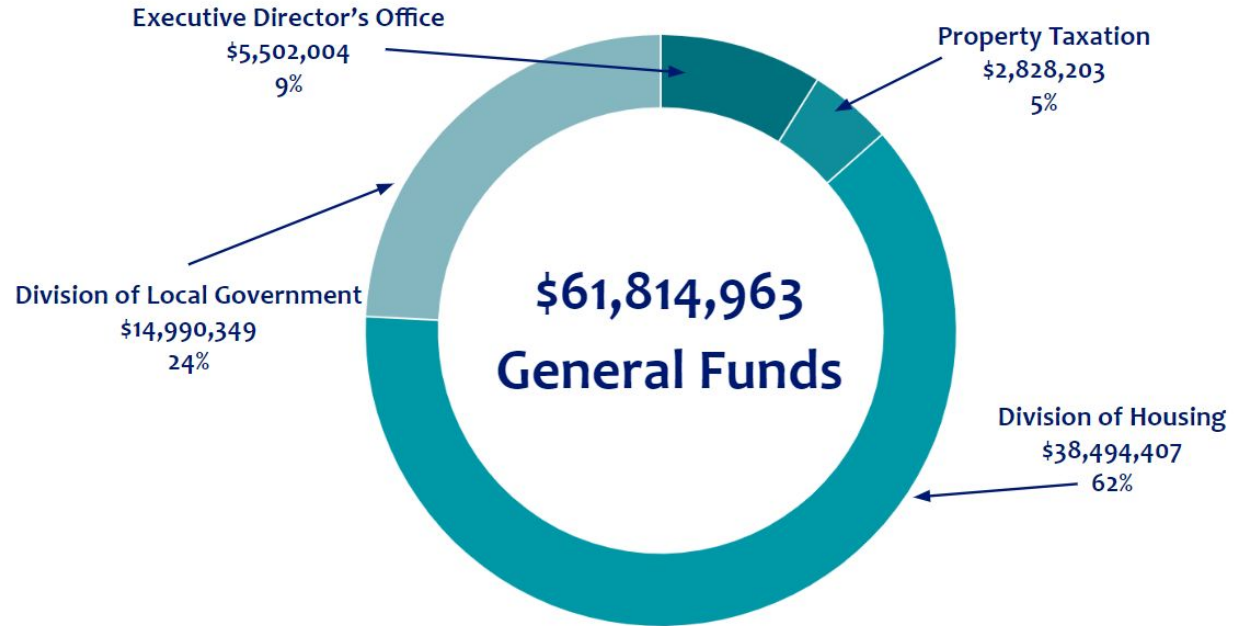
Full Time Employees: 238.3





FY 2024-2025 Budget

General Fund: \$61.8 million



DOLA FY 2024-2025 Budget Requests



Request	Amount	Description
Continuation of HB 19-1009 Voucher Program	\$999,479	DOLA seeks continued funding to prevent homelessness and support addiction treatment for Coloradans beyond FY 2023-2024.
Executive Director Office IT Business Product Manager	\$97,247	Requesting a Business Product Manager to manage IT system developments and replacements, vital for departmental effectiveness.
State Demography Office Statistical Analyst	\$113,935	Requesting an additional analyst and a data subscription to strengthen housing data capabilities, vital for informed decisions and advancing equity.
Defense Counsel on First Appearance Grant Program Reduction	-\$500,000	Proposing a \$500,000 reduction from the General Fund for the DCFA Grant Program, which provides grants to Colorado municipal courts for defense counsel costs at defendants' first appearances.
Property Tax Exemption Filing Fees Adjustment	\$0	Requesting a fee increase to sustain the Property Tax Exemptions Program due to escalating operational costs, without needing extra appropriations.
DPA Capital Construction: Decentralize Fort Lyon Building Heating	\$13,494,113	Upgrading heating at Fort Lyon by installing individual hot water boilers in five main buildings. Current central steam system inefficient and costly.

Legislative Priorities

Presenter

Bruce Eisenhauer

Legislative Liaison



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Legislative Priorities



Accessory Dwelling Units

Transit Oriented Corridors

Office to Residential Conversions

Community Revitalization

Removing Occupancy Limits

Parking Minimum Requirements Reform



Regulatory Oversight

Presenter

Bruce Eisenhauer

Legislative Liaison



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Division of Housing

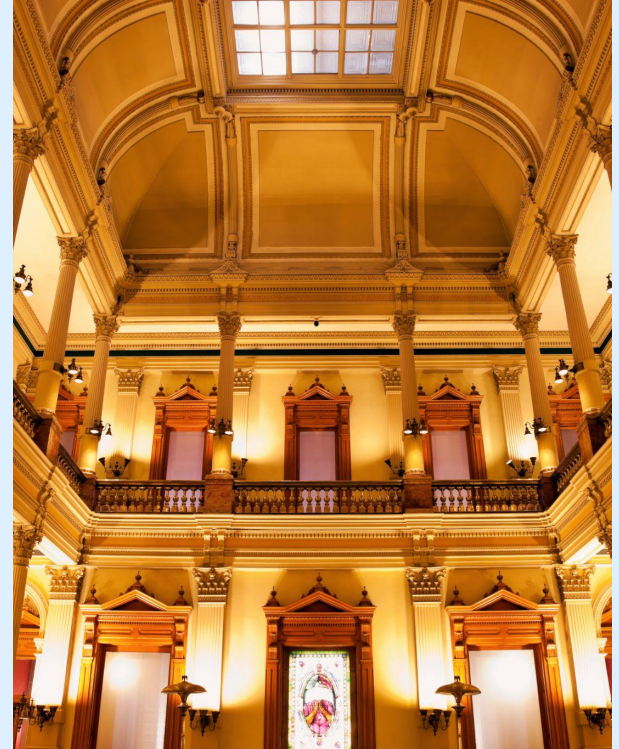
Mobile Home Park Dispute Resolution Program and
Factory Built Structures.

Division of Property Taxation

Implement conforming changes in response to House Bill
23-1184.

Division of Local Government

Repealed all Search and Rescue program rules when
program transferred to Department of Natural Resources.



Required Reports

Presenters

Bruce Eisenhauer, Legislative Liaison

Alison George, Director of Division of Housing

Chantal Unfug, Director of Division of Local
Government



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Required Reports



Law Enforcement Community Service Grant

Gray and Black Market Marijuana

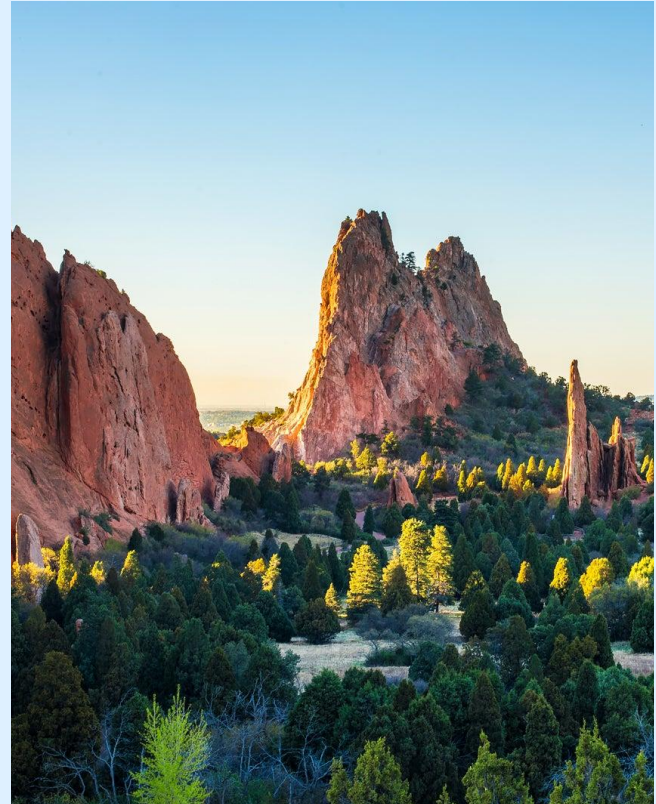
Enforcement Grant

Defense Counsel First Appearance Grant

Expanded Peace Officer Mental Health Grant

Mobile Veterans Services Unit Outreach

These reports are to be read in title only.



7,394 housing units created with funds through the Division of Housing.

- For every **one dollar** of state or federal funds, **\$7.69 leveraged**.
- Division of Housing funds **13%** of capital stack.

Housing development and preservation revenues and expenditures, State Fiscal Year 2022-23

- **\$417,277,732** appropriated, allocated, or transferred to the Division of Housing.
- **\$336,456,854** awarded by the Division of Housing to grantees and borrowers.



Mobile Home Park Dispute Resolution and Enforcement



760

Mobile Home Parks
Registered, with
48,000 Residents
homes.

224

Complaints filed in FY
2022-2023, about **50**
more than the
previous fiscal year.

230

Complaints resolved
consisting of **767**
alleged violations.

Infrastructure and Strong Communities Grant Program

\$40 Million

Secured in federal recovery funds for Local governments.

58 Letters of Intent

Resulting in **\$165 million** in funding requests.

Strong Communities Planning Grant Program

\$1,476,700 Million

State and Local Federal Recovery fund funding has been awarded to **10 grantees**.

60 New Land Use Strategies Initiated

Community Services Block Grant



Community Service Block Grant programs must complete a legislative report every 3 years.

All **64 Colorado** counties receive services and strategies using Community Service Block Grant funds.

Recent Annual appropriations:

- **Fiscal Year 2022 - \$6,540,433**
- **Fiscal Year 2023 - \$6,669,350**



Special Session Implementation

Presenters

Bruce Eisenhauer, Legislative Liaison

JoAnn Groff, Property Tax Administrator

Chantal Unfug, Director of Division of Local
Government

Alison George, Director of Division of Housing



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The Division of Local Government provided statewide guidance.

- 99% local governments finalized their budgets and mill levy submission by January 10.
- January 15, 2024 draft equitable backfill methodology due to DOLA Executive Director and is on track.
- April 15, 2024 backfill warrants deadline.



Comparing Rental Assistance Programs



Program Name	Emergency Rental Assistance 2	Temporary Emergency Rental Assistance Grant Program	Colorado Renters Stabilization Program
Launch Date	2022 (ongoing)	February 2024	Estimated mid-2024
Bill or Proposition	American Rescue Plan Act -DAA	Senate Bill 23B-1001 (State and Local Fiscal Recovery Funds & General Fund)	Proposition 123 (Cash Fund)
Funds Available	\$24 million (one-time, estimate)	One time funding of \$30 million	Annual estimate between \$25-\$30 million
Spend Deadline	September 30, 2025	June 30, 2024	Ongoing
Eligibility	<ul style="list-style-type: none"> 80% AMI or below Imminent threat of eviction with court summons Have not received Emergency Rental Assistance 2 or Colorado Renters Stabilization Program assistance in the last 12 months COVID-19 impact 	<ul style="list-style-type: none"> 80% AMI or below “Are at risk of eviction or displacement” Primary residence 	<ul style="list-style-type: none"> 60% AMI or below Imminent threat of eviction with court summons Have not received ERA/CRSP assistance in the last 12 months
Award Amount	<ul style="list-style-type: none"> Current average award is \$6,000 per household \$15,000 max award 	<ul style="list-style-type: none"> Past rent, present rent, plus up to 2 months in advance Utility bills, late fees, court costs, attorney fees Deposits, move-in expenses 	Maximum award to be determined in the next several months.

Emergency Rental Assistance



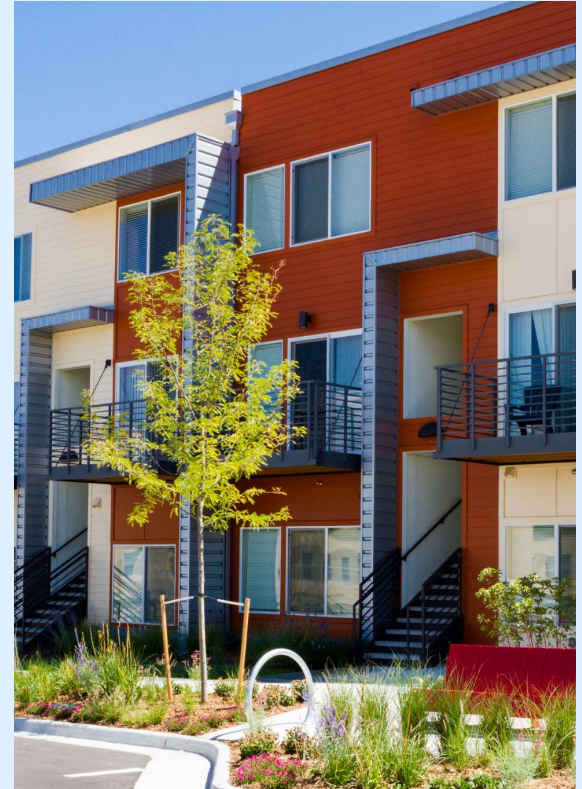
Since 2021, we have served **44,000 households**, across all **64 counties** in Colorado.

Currently, on average DOLA is assisting **201 cases a week** , totaling **\$471,475**.

We have contracts with two non-profit organizations

- Community Economic Defense Project
- La Puente Home, Inc.

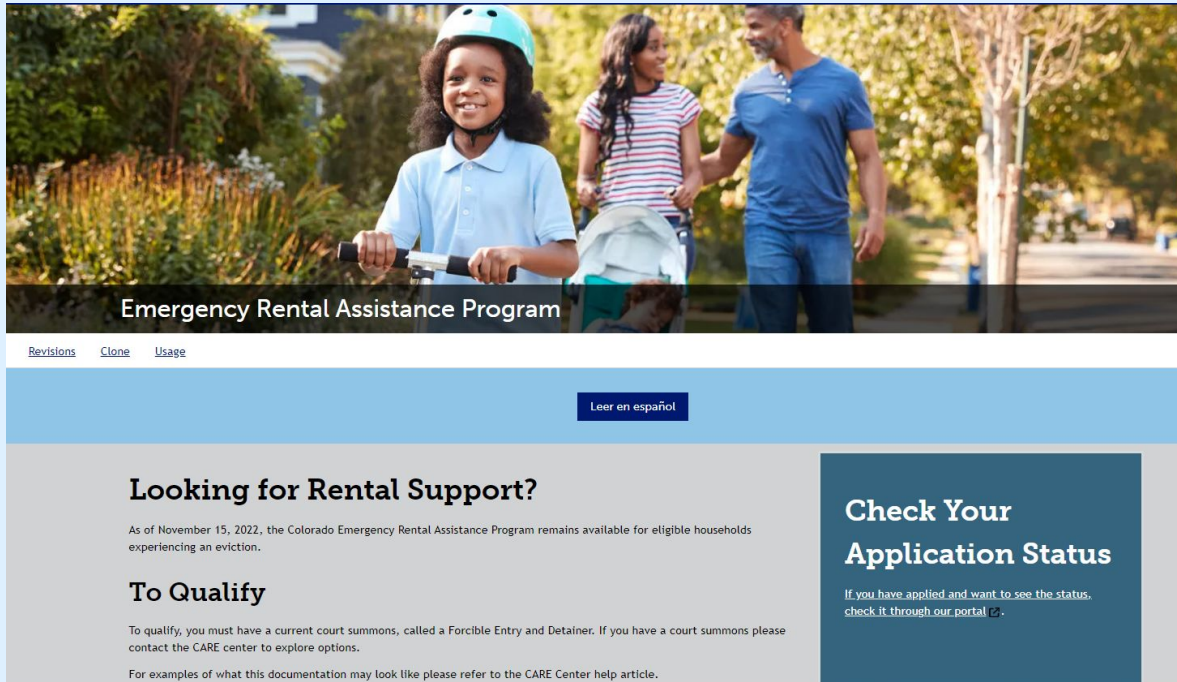
The program continues to accept applications at imminent risk.



We are serving all eligible Coloradans who complete applications.



We are serving all eligible Coloradans who complete applications.

A screenshot of a webpage for the Emergency Rental Assistance Program. The top section features a photograph of a young girl in a light blue polo shirt and a teal helmet riding a bicycle, with a woman and a man walking behind her. Below the photo is a dark banner with the text "Emergency Rental Assistance Program". Underneath the banner are three small links: "Revisions", "Clone", and "Usage". A blue button with the text "Leer en español" is positioned below the links. The main content area is split into two columns. The left column has a heading "Looking for Rental Support?" followed by a paragraph: "As of November 15, 2022, the Colorado Emergency Rental Assistance Program remains available for eligible households experiencing an eviction." Below this is a heading "To Qualify" and a paragraph: "To qualify, you must have a current court summons, called a Forcible Entry and Detainer. If you have a court summons please contact the CARE center to explore options." At the bottom of this column is a sentence: "For examples of what this documentation may look like please refer to the CARE Center help article." The right column has a heading "Check Your Application Status" and a paragraph: "If you have applied and want to see the status, check it through our portal." followed by a small icon of a document with a checkmark.

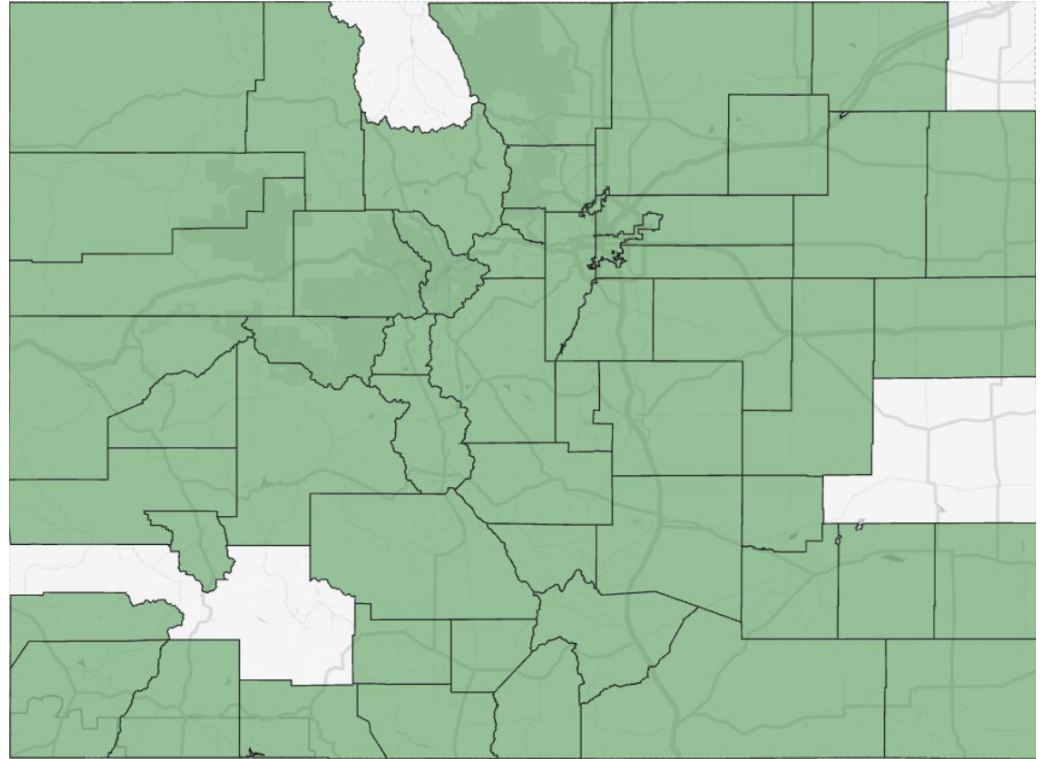
Impact of Emergency Rental Assistance Two



54 counties served by
Emergency Rental Assistance Two

99.6% of all Colorado renters
reside in the these counties.

97% of funds spent



Special Session Implementation: House Bill 23B-1001 Rental Assistance



\$30 million in Temporary Rental Assistance Grant

Will help approximately **3,800 Colorado households** that are past-due on rent stay in their homes.

- Request for Applications published on November 29, 2023
- Request for Applications Closed December 18, 2023
- Five nonprofits selected December 29, 2023
 - Brothers Redevelopment, Inc.
 - Community Economic Defense Project
 - La Puente Home, Inc.
 - Neighbor to Neighbor
 - Total Concept
- Funds must be expended by June 30, 2024
- Applications will start in February 2024



Questions?



CO L O R A D O

Department of Local Affairs

Proposition 123

Presenters

Maria De Cambra, Executive Director

Alison George, Director of the Division of
Housing

Mo Miskell, Deputy Director of the Division of
Housing

Chantal Unfug, Director of the Division of Local
Government



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Department of Local Affairs



COLORADO

Office of Economic Development
& International Trade

Proposition 123 - State Affordable Housing Fund



Year One Actual: \$96 million

Year Two Estimate: \$186.84 million



60% Financing Fund
Managed by OEDIT

Colorado Housing and
Finance Authority

Land Banking

Equity

Concessionary
Debt

Colorado Income Tax Revenue

0.1%

December 2023

Forecast

Fiscal Year 2022-2023

\$160 million

Fiscal Year 2023-2024

\$311.4 million

Year One Actual: \$64 million

Year Two Estimate: \$124.56 million



40% Support Fund Managed
by DOLA

Division of Housing and
Local Government

Affordable
Homeownership

Serving
Persons
Experiencing
Homelessness

Local Planning
Capacity
Development

Proposition 123 - DOLA Implementation



50%

Affordable
Homeownership
Programs

45%

Programs
Serving Persons
Experiencing
Homelessness

5%

Local Planning
Capacity Grant
Program

Proposition 123 - Local and Tribal Government Commitments



202

Local and tribal governments successfully filed a 3-year commitment.



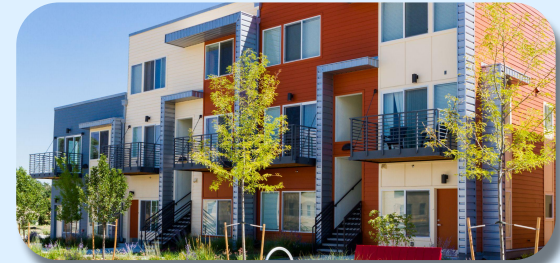
87.7%

Percent of population living within committed jurisdictions.



22,855

Goal of new affordable housing units.



Proposition 123 - Update on Division of Housing Programs (Slide 1 of 3)



Homeownership Programs - \$32 million for Fiscal Year 2023-2024

Acquisition, New Construction, and Rehabilitation

Awarded **4** projects **\$6.5** million for 146 units.

Owner Repair

Underwriting applications for three entities to manage **\$6.5** million in single family owner-occupied funds.

Down Payment Assistance

Underwriting applications for seven entities to manage **\$43** million.

Proposition 123 - Update on Division of Housing Programs (Slide 2 of 3)



Homelessness Programs - \$28.8 million for Fiscal Year 2023-2024

Development of Supportive Housing

Awarded three projects totaling **\$12.175 million** for **218 units**.

Street Outreach

Awarded **17 applicants** totaling **\$1.02 million**.

Rapid Rehousing

Awarded **25 applicants** totaling **\$1.14 million**.

Proposition 123 - Update on Division of Housing Programs (Slide 3 of 3)



Homelessness Programs - \$28.8 million for Fiscal Year 2023-2024

Homeless Prevention

Awarded **20 applicants** totaling **\$1.31 million**.

Emergency Shelter

Awarded **56 applicants** totaling **\$4.53 million**.

Supportive Services

Notice of funding availability released November 22, 2023 for **\$2.5 million**.

Proposition 123 - The Division of Local Government Program Update



Local Planning Capacity Grant Program - \$3.2 million for FY 2023-2024

- Extensive statewide technical assistance has been provided and will continue.
- Local Planning Capacity Grants: Division of Local Government received **34 Letters of Intent** requesting over **\$3 million** in funds, and invited **31** to submit a formal application for a local planning capacity grants.
- Approximately **\$3 million** is available in FY 2024 and **\$6 million** in FY 2025.
- The next funding cycle will open in late spring 2024. Financial need and geographic diversity will be a consideration.



Thank you!



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Department of Local Affairs