

**DEPARTMENT OF LOCAL AFFAIRS  
FY 2016-17 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Thursday, December 3, 2015  
2:30 pm – 4:30 pm**

**2:30-2:50 INTRODUCTIONS AND OPENING COMMENTS**

**2:50-3:20 FORT LYON SUPPORTIVE RESIDENTIAL FACILITY**

*Note:* The Department of Local Affairs will coordinate and lead this presentation. Staff from the Department of Health Care Policy and Financing, the Colorado Coalition for the Homeless, and Bent County are requested to participate to address questions on which they may have more information or expertise.

*Institution for Mental Disease/Medicaid/Federal Review*

1. What are the financial implications if the federal authorities find that Fort Lyon is an institution for mental disease (IMD)? Provide an update on the status of the federal review.

*If the federal Centers for Medicare and Medicaid Services (CMS) determine that Ft. Lyon Supportive Residential Community (FLSRC) is an IMD, federal regulations preclude Medicaid funding for any services to residents under the age of 65. Under a federal IMD determination, the State would not be permitted to use federal Medicaid funds for services provided to individuals while residing at FLSRC and the State would be required to repay any federal Medicaid matching funds used for Medicaid services since FLSRC was opened in September 2013.*

*The Department of Health Care Policy and Financing (HCPF) has articulated to CMS that the FLSRC did not meet the definition of an IMD. During a conference call with the HCPF on November 20, 2015, CMS expressed two components of the State Medicaid Manual guidelines for determining whether an institution is an IMD were not sufficiently applied. The two components were:*

- *More than 50% of the residents were housed at FLSRC for a mental disease, including substance use disorder, and*
- *The Fort Lyon Health Center is located on the FLSRC campus and provides clinical services to many of the residents.*

*According to HCPF, the final determination has not been made by CMS. HCPF expects that the CMS national and regional offices will present formal recommendations for next steps to HCPF in mid-December.*

2. Provide an update on the cost of Medicaid treatment for Fort Lyon residents that identifies the federal match rate for these clients.

*The table below shows the amount paid for Medicaid treatment for Fort Lyon residents, including the amount of federal funds paid and aggregate federal match percentage, from September 1, 2013 through June 16, 2015. This is the latest date full data is available.*

<b>Expenditures for Ft. Lyon Residents from September 1, 2013 through June 16, 2015</b>			
<b>Fiscal Year</b>	<b>Payment Amount</b>	<b>Federal Match Amount</b>	<b>Federal Match Percent</b>
FY 2013-14	\$457,884	\$371,667	81%
FY 2014-15	\$1,580,422	\$1,331,842	84%
<b>Total</b>	<b>\$2,038,306</b>	<b>\$1,703,509</b>	<b>84%</b>

*According to HCPF, the federal match percentage shown is based on aggregate expenditure. Claims for each client are evaluated individually to determine whether the standard federal medical assistance percentage (FMAP) or an enhanced FMAP applies. That determination is based on the client’s eligibility group.*

3. How is mental health and substance abuse treatment provided at Fort Lyon? How does this differ from a state mental health institute? Do any of the treatments/services at Fort Lyon come under the auspice of the “final rule” for community based treatment? Does this place home and community-based (HCBS) or other Medicaid support for these clients at risk?

*HCPF’s review of the FLSRC determined that the program does not provide psychiatric/psychological care and treatment for mental diseases. The primary activities provided by the FLSRC are transitional housing, vocational training and educational support for individuals who have been homeless. The FLSRC program is resident-directed (peer) model with staff members overseeing general operations of the facility. Individuals residing in the FLSRC access Medicaid covered physical and/or behavioral health services in the same manner that other Medicaid beneficiaries would. They access services through a Medicaid-enrolled provider outside of the residential community itself. The peer model of the FLSRC program is very different from a state mental health institute which is primarily engaged in providing diagnosis, treatment and care for persons with mental diseases, including medical attention, nursing care, and related services within the institute itself.*

*According to HCPF, the peer model services and supports provided at the FLSRC do not come under the auspice of the “final rule” for community based treatment, because the program is not authorized by CMS as a HCBS program. The program is not administered by the HCPF under a federal HCBS waiver.*

4. The Department has requested a bill to authorize use of Marijuana Tax Cash Funds (MTCF) for this program, despite statute that authorizes use of the MTCF for substance abuse treatment. If we were to access MTCF under the substance abuse treatment provision, does it strengthen the argument that Fort Lyon is an IMD?

*HCPF believes that the purpose of the appropriation would be the most relevant factor related to any IMD determination by CMS. Notably, HCPF has argued to CMS that FLSRC is not an IMD because formal substance abuse treatment is not being provided at the facility;*

*rather, the treatment provided is peer based, which is specifically allowable under federal guidance related to IMDs. If MTCF is accessed under the substance abuse treatment provision, it would be important to clarify that the expectation for the model of treatment continues to be peer based and not psychiatric/psychological.*

5. If the program were found to be an IMD, would the State be required to fully cover residents' medical costs or would that be something for which the individuals could be held responsible, even if they could not access Medicaid?

*If CMS determines the FLSRC to be an IMD, individuals under the age of 65 residing in the facility would not be eligible for Medicaid. Since FLSRC is a voluntary program, individuals would need to be informed that a decision to reside at FLSRC would mean they are no longer Medicaid eligible. As a result individuals would need to have alternative health care coverage for all of their physical and behavioral health care needs. Since the individuals would not be Medicaid eligible the state would not be required to fully cover medical costs nor would there be any federal or state regulations prohibiting providers from billing the client directly.*

#### *Physical Plant*

6. Provide an update on how the costs for utilities have changed from when this was a correctional facility. Did the boilers ever get fixed?

**Gas:** *Based on a nine-year average beginning July 1, 2003 through June 30, 2012, the Colorado Department of Corrections (CDOC) annual consumption of gas, was 828,408 therms. Since the transition to the Fort Lyon Supportive Residential Community (FLSRC), the annual average gas usage, beginning July 1, 2013 through June 30, 2015, was 469,509 therms. This is an annual reduction of 358,899 therms or 43 percent. During FY 2012-13, when the facility was vacant, gas consumption for those twelve months was 422,668 therms, just 46,841 therms less than the current annual average.*

**Electricity:** *Electricity consumption is also down considerably. Between July 1, 2003 through June 30, 2012, the CDOC annual average consumption was 6,480,048 kilowatt hours. The annual FLSRC average for the time period beginning July 1, 2013 through June 30, 2015, was 2,896,003 kilowatt hours. This is an annual reduction of 3,584,045 kilowatt hours or 55 percent. Less than a quarter of the reduction in kilowatt hours can be attributed to the security lights no longer being in operation.*

**Boilers:** *Through efficient facilities management, Bent County has made minor repairs and changed how the boilers are operated to reduce gas consumption. There are currently three boilers located in the boiler house at Fort Lyon. Currently, one boiler is not in use and was not operational when the FLSRC started. The two other boilers are used on a rotating, month to month basis. It will be necessary to replace the boilers with modern equipment that is sized appropriately for the load and much more energy efficient.*

7. What is the condition of the facility with regard to asbestos? How many buildings are impacted by asbestos? What is the status of the asbestos in the barn?

*Due to discrepancies identified in previous testing, Fort Lyon staff and Colorado Department of Public Health and Environment (CDPHE) agreed that additional testing was necessary. A Targeted Brownfields Assessment was recently funded by the United States Environmental Protection Agency (EPA) for the Fort Lyon campus. The Region 8 Technical Assessment and Response Team along with EPA contractor Weston Solutions, Inc. began their work in late September. During the month of October 2015, over 900 samples of a variety of building materials were taken from approximately 22 buildings and homes on the campus. We have received results and recommendations for Buildings 7 and 508. These buildings are currently vacant and their renovation could expand the campus residential capacity. Of the 109 samples extracted in Building 7, only eight contained more than one percent asbestos, while 101 samples contained no asbestos.*

*The estimated cost of removal of all asbestos in Building 7 is \$45,000. In Building 508, 50 samples were collected with five containing asbestos exceeding one percent and 45 contained no asbestos. The estimated cost to remove all asbestos in Building 508 is \$23,000. We expect to receive the reports for the other structures tested in December 2015 and anticipate similar results. During the spring of 2015, Colorado Hazard Control, an asbestos removal contractor hired by the Pueblo County Department of Health and Human Services, abated 10 residential homes on the Fort Lyon campus. The Colorado Energy Office paid a total of \$170,000 through its Weatherization Program for abatement and upgrades on these 10 homes, of which \$85,370 for asbestos mitigation was a part.*

*The asbestos in the barn was removed during the summer of 2013, the year Bent County began providing maintenance for the facility. The Veterans Administration (VA) paid for the entire barn asbestos abatement project and all barns are now available for use. Soil testing was also undertaken in 2006. Of the 489 soil samples collected, 403 were clean, 77 contained trace amounts of asbestos (less than 1%), and 9 had above 1% asbestos. Most of the samples testing above 1% were collected near the boiler house.*

*All areas of contaminated soil and buildings are managed in place per the recommendation of CDPHE following both CDPHE and EPA guidelines.*

*When larger renovation or repair projects of individual buildings are necessary, a complete abatement is undertaken if required. The VA did an extensive amount of asbestos abatement on the campus prior to 2001, but unfortunately we have not found a list of those projects. The Colorado Department of Corrections (CDOC) completed the following asbestos abatement projects between CY 2006-2009.*

<i>South Steam Tunnels</i>	<i>September 2006</i>
<i>Dairy Barn 1</i>	<i>October 2008</i>
<i>Buildings 3,4,5,6 &amp; 8 Mechanical Rooms</i>	<i>April 2008</i>
<i>Boiler House Roof</i>	<i>February 2009</i>
<i>Building 19 (complete abatement)</i>	<i>February 2009</i>

<i>Buildings 5, 201, Gas Meter House &amp; Manhole Vaults</i>	<i>May 2009</i>
<i>Steam Tunnels between Power Plant &amp; Building 6</i>	<i>May 2009</i>
<i>Laundry Crawl Space/Mech Room, Building 5</i>	<i>August 2009</i>
<i>Manhole Vaults-Misc. Tunnels</i>	<i>July 2009</i>

8. How much will it cost to fully abate the asbestos? Why do the costs for asbestos abatement keep changing? Why do you now believe the EPA will pick up the costs for asbestos abatement? What has changed to make the federal government decide that they are liable for this? What proof do you have that they will cover these costs?

*The cost of asbestos abatement provided by the Department and Bent County are based on the work recently completed and/or estimates provided by the EPA contractor, Weston Solutions. As discussed in the answer to question 7 above, Fort Lyon staff and CDPHE agreed that additional testing was necessary due to discrepancies in previous testing.*

*Neither CDPHE nor EPA recommends a complete removal of asbestos, but rather that asbestos be managed in place when practical.*

*The EPA has provided all of the funding for the testing that has taken place over the last two months. While there is no guarantee EPA will fund the asbestos abatement project at Fort Lyon, EPA has indicated that Fort Lyon is eligible for funding from EPA for asbestos remediation and that the EPA considers Fort Lyon to be a likely candidate to receive these funds. The funds that are available through EPA are utilized to aid in the redevelopment of sites like Fort Lyon, particularly due to the currently use of Fort Lyon and Southeast Colorado being an economically depressed area.*

9. What is the life cycle cost associated with this facility?

*Provided at the end of this document is a spreadsheet summary of both routine maintenance and periodic maintenance on 3-year, 5-year, 10-year, and 15-year cycles. Also included where applicable are controlled maintenance costs related to HVAC, plumbing, and electrical. These costs are shown in the far right column and are not part of the projected maintenance budgets.*

10. The Department identified a cost of \$19 million for controlled maintenance for the buildings on the facility that are 50 years old or older. Is this deferred maintenance? When will this need to be addressed? Does it include asbestos abatement?

*Each state agency that owns or has administrative custody of buildings older than 50 years was requested to estimate the cost to address controlled maintenance needs or to provide for demolition. Both the Department and the Department of Personnel and Administration (DPA) estimated the cost of controlled maintenance using a formula that is a sum of the individual controlled maintenance building improvements that only correct for the percent of the*

*building that is deficient from its current "Existing Building Condition" percentage rating. Currently, Fort Lyon campus buildings have a ratings range from 35 - 70 percent using the Office of State Architect's (OSA) building facility condition index rating system. The costs of asbestos mitigation and abatement are not included in the controlled maintenance costs of \$19,013,490. Costs for campus asbestos activities are expected to be determined after the EPA and their contractor complete their Targeted Brownfields Assessment for the Fort Lyon Campus (please see response to question 7 above).*

#### *Defining and Measuring Success*

11. How are we defining success for the residents? What metrics are being used to measure the success?

*The Fort Lyon program categorizes residents' program outcomes as successful or unsuccessful depending upon whether or not the resident met self-identified goals upon exit. During the past year, 363 residents left the program, in which 201 (55.3 percent) were successful and 162 (44.6 percent) unsuccessful in meeting self-identified goals.*

*Additional measures of success have included: housing, employment, education and quality of life.*

***Housing placement** upon exit is a measure of success. Of the total exits during the past program year, 95 residents (59 percent) exited to either permanent or transitional housing. Of the residents who stayed for at least 90 days, 63 percent exited to permanent or transitional housing. For participants exiting to permanent housing destinations, 67.2 percent were in the program longer than 6 months.*

***Employment:** 43 residents (11.8 percent) obtained employment during their stay at Fort Lyon.*

***Education:** 103 residents (28.3 percent) were enrolled in educational programs including GED or higher education.*

***Quality of Life:** Improvements in residents' quality of life is also measured as an indicator of program effectiveness. Measures for depression and anxiety decreased by 54.6 percent, while quality of life measures increased by 45.2 percent.*

12. When is enough data going to be enough data? Are the measures that are now in place the correct measures? If so, when will we have sufficient data to make a valid decision on this program? If not, when will the correct measures be in place?

*Currently, Colorado Coalition for the Homeless (CCH) manages data collection, analysis, and reporting for the purposes of managing the program and analyzing program effectiveness. Please see the response to Question 11 above regarding the specific measures that are now in place.*

*The Department agrees that an external study should be conducted to further evaluate the program's efficacy. The purpose of the enhanced assessment will be to assess program costs and benefits, the resulting State cost savings, and an evaluation of the program outcomes such as type of housing placement upon exit, improved health, and service utilization. The specific utilization and outcome measurements will include: medical care, mental health treatment, substance abuse treatment, homeless services, housing stability, and criminal justice involvement. The impact of various program components and participant variables such as length of stay, as well as substance abuse and mental health disorders, will be highlighted.*

**Sample size:** *To have confidence in the statistical analysis which results from any evaluation, it is important to have a large enough sample (or number of individuals) to follow for a long enough period of time regarding the right measures. The Department recommends comparing the participants' utilization of services at least one year prior to entering Fort Lyon, during residency at Fort Lyon, and for up to two years after exiting Fort Lyon. In addition to the amount of time, to truly understand the impact of the program, it is crucial to compare the participants to a similar sample population. This will assist in answering the question of opportunity cost, or in other words, what would happen to the individuals if Fort Lyon did not exist or they were served by another program.*

**Housing placement:** *To measure if a housing placement truly is stable and likely permanent, it is best practice to follow-up with individuals up to two years after placement. If necessary due to budget limitations and natural attrition with longitudinal studies, participants can be measured up to one year instead of two years.*

**Service Utilization:** *It is also recommended to track participants' service utilization during and after Fort Lyon, both in terms of cost and type of services, for two years. Often, the first year after a person transitions to housing creates a unique increase and change in service utilization, especially for an individual who has been disconnected from care. Therefore, the second year provides a more accurate measure of an individual's on-going service utilization.*

*In summary, we recommend at least four years to collect data (two years programmatic and two years post-program), which will then be evaluated. Since there is rolling admission, any additional time added to the four-year timeline will enable evaluation of additional participants, further strengthening the findings.*

*Based on similar evaluation tools, the cost of similar reports range from \$60,000 to \$150,000 annually (\$240,000 to \$600,000 for four years) depending on the data sharing needs and number of participants being evaluated. The Department is drafting a specific proposal and estimated budget costs. Once completed, the Department will use the budget process to request funds for the evaluation.*

13. How do we get to the point that we can measure the success? How long will it take to get enough results that are dependable for this program? What is the plan to get to the place where we can get to these measures?

*Please see the response to Question 12 above.*

14. If we pursue an independent examination of the program as compared to other like treatment programs, who can/should conduct this and what would be involved?

*The Department is aware of agencies and academic institutions with the expertise and capabilities to evaluate the impact of the Fort Lyon program. For example, the University of Denver is currently conducting similar evaluations of the Department's C-SHARP (Colorado Second Chance Act grant) and Denver's Social Impact Bond (SIB) permanent supportive housing project. Dennis P. Culhane, PhD, a renowned leader of research regarding homelessness, is another example. He is Professor and Co-Principal Investigator for Social Policy at the University of Pennsylvania and the Director of Research at the National Center for Homelessness Among Veterans. It is important to note that these are examples of the type of experts the Department expects would respond should the Department receive budget authority for the evaluation. The Department would follow the State procurement process in order to select an experienced evaluator or team of evaluators.*

15. When the program was first presented, Harvest Farm was described as a good program comparison. What is Harvest Farm's definition of success? Why is the success rate at Fort Lyon so different from that at Harvest Farm? Is Harvest Farm a reasonable comparison? Do people at Harvest Farm have the same complexities as the population at Fort Lyon? How is the program different?

*Harvest Farm was used as a model for the start-up of Fort Lyon. Harvest Farm is located in a rural setting, on a working farm, and operated by a non-profit homeless provider for homeless individuals with alcohol and drug addictions. There are substantial differences between Harvest Farm and Fort Lyon. Harvest Farm has mandatory religious requirements, does not serve individuals with mental illness, and is for men only. Fort Lyon serves men and women, residents can be dual-diagnosed, and all religious practices are voluntary.*

*Terms of success for Harvest Farm graduates include: leasing permanent housing with their own income, managing addiction by remaining completely sober or being able to retain employment and/or schooling, and living in a healthy supportive community.*

*We have reported in the past on the success rates of Harvest Farm graduates. It is important to note that these responses only cover the individual willing to respond to the survey.*

*2010 Harvest Farm graduates: Successfully housed – 73 percent after six months, 62 percent after one year*

*2011 Harvest Farm graduates: Successfully housed – 82 percent after six months, 76 percent after one year*

*2014 Harvest Farm graduates: Successfully housing – 86 percent after six months*

*Harvest Farm serves a higher functioning population than Fort Lyon as most of Fort Lyon's participants have a mental illness, which would make them ineligible to participate in Harvest*

*Farm. It is therefore expected that individuals without the struggles of mental illness will have a higher success rate.*

#### *Cost/Benefit of Program*

16. Provide a comprehensive analysis that shows what it costs to run this program compared to what it costs compared to other treatment programs. What is the opportunity cost of putting money into this program as compared to other programs?

*Fort Lyon is a unique transitional housing program with supportive services including peer-run supports, which serves people struggling with homelessness and often mental illness. The participants have failed other housing, service, and treatment programs.*

*Therefore, it is not a true comparison against Denver Rescue Mission's Harvest Farm, which does not serve individuals with mental illness. It is also not a simple comparison to permanent supportive housing residences since Fort Lyon is transitional, which means individuals do not hold a lease. Fort Lyon has also been compared to residential treatment programs, which have therapy and medical services by professional staff incorporated into the program and are often a few days to a few months per stay. This differs from Fort Lyon's voluntary and peer-run model in which the program model recommends up to 24 months of stay.*

*However, since the Department does not have a true comparison, Fort Lyon was compared to the cost of someone participating in one of these models or remaining homeless and without adequate care and services. It is important to emphasize that each program provides different services and housing (or lack thereof) to different populations. Therefore, no single model can serve every individual. In addition, each calculation for "cost per person" varies in costs incorporated. Future evaluation would assist in true comparison of program components, individuals served and costs measured.*

*Please see the table at the top of the next page for cost per person by program model based on data we know at present:*

<b>Estimated Average Cost Person by Program Model and Population Served</b>			
<b>Model</b>	<b>Cost per Person</b>	<b>Services Provided</b>	<b>Population Served</b>
<b>Fort Lyon</b>	\$19,825 per year <sup>1</sup>	Transitional Housing (without lease), Peer-run and voluntary services	Homeless, Co-occurring disorders
<b>Residential Mental Health Treatment</b>	\$57,000 per month <sup>2</sup>	Short-term Institutional Stay (average 72 hours), No linkage to Permanent Housing, Medical and Behavioral Treatment	Mental illness
<b>Residential Substance Abuse Treatment</b>	\$5,000 per month <sup>3</sup>	Short-term Institutional Stay (average one month), No linkage to permanent housing, Medical and Behavioral Treatment	Often limited to those who can self-pay
<b>Permanent Supportive Housing</b>	\$19,037 per year <sup>4</sup>	Permanent Housing (with lease), Staff run supportive services, Models vary	Formerly Homeless, Co-occurring disorders
<b>Homelessness</b>	\$45,993 per year <sup>5</sup>	No housing, often emergency medical care only	Homeless, Co-occurring disorders

<sup>1</sup>Fort Lyon cost per person when 250 people are served.

<sup>2</sup>Residential Mental Health Treatment is often multiple short stays over the year. A typical stay of 72 hours costs \$5,700. Therefore, the estimated cost for one month represents the estimated cost of multiple stays over the course of one year.

<sup>3</sup>Residential Substance Abuse Treatment can range from one month to one year. \$5,000 per month is the lowest estimated cost and the Medicaid rate.

<sup>4</sup>The average for Permanent Supportive Housing is an average of the programs presented on pg. 14 of JBC staff's briefing document presented to the JBC on November 17, 2015.

<sup>5</sup>The cost of homelessness is the lower estimated cost according to the Silicon Valley Study.

17. Will the program ever get to serving 250 and why are we funding at 250 when only a maximum of 214 are now served? How do the costs change if we cannot reach 250?

*The average residency at Fort Lyon will reach 250 residents. This increase is happening slowly although consistently. After the first programmatic year, the average monthly residency was just 98; while the second year averaged 185 monthly residents. Now into Fort Lyon's third year, the residency has already exceeded 221 participants. If an average residency of 250 is not achieved by FY 2016-17, operational costs may need to be reduced accordingly.*

18. What is the cost of *not* having this program? How would you calculate this?

*If Fort Lyon were to close, then individuals that could reside, and receive supportive services, at Fort Lyon will remain homeless and the current residents at Fort Lyon will be returned to homelessness. The State will continue to pay services and treatment costs through other local and state programs, particularly emergency room visits, jail visits, and detox. As reported previously, chronically homeless individuals living on the street show average costs of*

\$45,993. In addition, without this program, the State will continue to incur costs to maintain the vacant Fort Lyon facility. As previously reported by the CDOC, the cost to maintain the vacant Fort Lyon property is estimated to be \$150,000 per month.

#### *Program Entry and Transition*

19. Do people who go to Fort Lyon already have housing vouchers to which they are returning? What share of the population?

*There are a small number of residents who have a housing voucher when they arrive at Fort Lyon. Many of the housing voucher programs have regulations that allow an individual to be “away” for hospitalization or treatment from their leased subsidized unit for 90-180 days. CCH works directly with each individual resident to ensure that they are receiving the assistance they need to re-stabilize and return to their community and their home. In addition, CCH insures that the individual stays in contact with their housing agency to ensure they remain compliant with the voucher requirements. In general, individuals with vouchers have a much shorter stay and are already connected with local community providers to ensure continuity of care and retention of the housing voucher.*

20. Are people who complete the program being provided housing vouchers? Are you able to find HUD-funded placements as people depart the program?

*Individuals exiting Fort Lyon have a variety of housing needs. CCH works with residents to match the best housing resource available to each individual resident’s needs. Below are the different housing options that have been utilized by Fort Lyon graduates and that will continue to be used. In addition to these housing options, several graduates, due to their employment success, have not required any type of housing assistance. The program has also had several individuals reunite with family, and therefore, do not require housing assistance. The Department will continue to evaluate the housing resources needed to ensure residents are able to successfully obtain and maintain housing upon re-entering their communities.*

#### ***Tenant-Based Rental Assistance (TBRA) Vouchers***

*The Department has initially dedicated 30 TBRA vouchers to assist residents leaving Fort Lyon to re-enter the community. TBRA is one of HUD’s rental assistance programs that limits rental assistance to 24 months. The expectation is that CCH staff is connecting this particular rental assistance to Fort Lyon residents who are most likely to be able to maintain independent housing at the end of two years. CCH aims to connect exiting residents, including those with TBRA vouchers, to community-based resources to assist in the clients’ stability once in the community.*

#### ***Housing Choice Vouchers (HCV)***

*CCH staff is ensuring that Fort Lyon residents are connected with mainstream public housing agencies (PHA) to ensure they are on all waiting lists for which they qualify. Many of the Fort Lyon graduates have received a HCV voucher from a local PHA. Several of the residents have decided to remain in the area using their housing subsidy rather than return to their previous community.*

### ***Permanent Supportive Housing (PSH) Vouchers***

*The PSH program provides rental assistance in connection with matching supportive services. The PSH program provides a variety of permanent housing choices, accompanied by a range of supportive services funded through other sources such as Medicaid. This is a great resource for Fort Lyon residents who will continue to need supportive services in their home community after program exit. Like most housing programs, there are waiting lists involved, and CCH staff is identifying residents who will need this level of support upon exit and ensuring they get on the waiting list early on in their residency.*

### ***Low Income Housing Tax Credits (LIHTC)***

*The LIHTC program leverages private capital and investor equity to support the development of new and rehabilitated affordable rental housing. There are thousands of LIHTC units across Colorado. Unlike conventional market rate properties, applicants to LIHTC properties cannot be denied housing for the sake of having a Housing Choice Voucher. Additionally, the rents of LIHTC property cannot exceed rents allowable through Voucher programs. CCH alone owns hundreds of LIHTC units and is working with Fort Lyon residents to ensure they are on lists and placed in projects as appropriate.*

### **3:20-3:40 AFFORDABLE HOUSING/FEDERAL RESOURCES**

*Note: The Department of Local Affairs will coordinate and lead this presentation. However, staff from the Colorado Housing and Finance Authority (CHFA) are requested to attend if they can assist in addressing questions about overall housing resources across the state.*

21. *[Background: the Department administers a variety of federal funds from the Department of Housing and Urban Development, as well as the Community Services Block Grant from the federal Department of Health and Human Services. However, far more funds are directly granted by federal authorities to local communities.] Please identify the total funds received by the State, who administers these, and explain where funding that passes through the Department fits into this picture.*

*Colorado benefits from a number of different federal funding sources that support affordable housing through three primary sources: Department of Housing and Urban Development (HUD) Block Grant programs, HUD Voucher programs, and Federal Tax Code programs.*

**Block Grant Programs:** *The U.S. Department of Housing and Urban Development (HUD) provides block grant funding to the Divisions of Housing (DOH) and Local Government (DLG) within the Department through four main programs - the HOME Investment Partnership program (HOME - grants to develop affordable housing), the Community Development Block Grant program (CDBG - grants to fund a variety of community development programs, including affordable housing), Emergency Solutions Grant (ESG - grants for programs to prevent homelessness), and Housing Opportunities for Persons with AIDS (HOPWA - housing subsidies, similar to DOH voucher programs). Please see the chart below for detail on HUD's formula allocations for these programs in FFY 2015.*

<b>State of Colorado - FFY15 HUD Funding Allocations</b>				
<b>PROGRAM City/County</b>	<b>CDBG15</b>	<b>HOME15</b>	<b>ESG15</b>	<b>HOPWA15</b>
DOLA – Division of Housing	\$8,114,075	\$4,112,590	\$1,810,390	\$433,880
Arvada	\$427,907	\$0	\$0	\$0
Aurora	\$2,657,770	\$827,149	\$241,713	\$0
Boulder	\$704,991	\$866,115	\$0	\$0
Broomfield	\$222,735	\$0	\$0	\$0
Centennial	\$312,832	\$0	\$0	\$0
Colorado Springs	\$2,620,268	\$998,094	\$228,195	\$0
Denver	\$6,687,320	\$2,222,535	\$611,476	\$1,545,607
Fort Collins	\$951,389	\$519,485	\$0	\$0
Grand Junction	\$374,788	\$0	\$0	\$0
Greeley	\$865,451	\$318,093	\$0	\$0
Lakewood	\$880,533	\$0	\$0	\$0
Longmont	\$587,833	\$0	\$0	\$0
Loveland	\$322,471	\$0	\$0	\$0
Pueblo	\$1,330,918	\$512,810	\$0	\$0
Thornton	\$620,788	\$0	\$0	\$0
Westminster	\$578,221	\$0	\$0	\$0
Adams County	\$1,625,647	\$821,632	\$144,016	\$0
Arapahoe County	\$1,075,210	\$512,836	\$0	\$0
Douglas County	\$889,370	\$0	\$0	\$0
El Paso County	\$960,263	\$0	\$0	\$0
Jefferson County	\$946,314	\$716,189	\$0	\$0
<b>TOTALS:</b>	<b>\$33,757,094</b>	<b>\$12,427,528</b>	<b>\$3,035,790</b>	<b>\$1,979,487</b>
*Source: HUD Community Planning and Development Program Formula Allocations for FY2015: <a href="http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/budget/budget15">http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/budget/budget15</a>				
*Note: Totals added by DOH staff. Not all CDBG funds are used for housing - Colorado uses approximately 1/3 of its CDBG allocation for housing, but each local jurisdiction makes their own determination.				

**Housing Voucher Programs:** HUD also provides funding for the Housing Choice Voucher program to both the Department and local public housing authorities. Please see the chart below for details on the maximum number of families these programs are allowed to serve (the actual numbers are limited by budget allocation from HUD). This program does not directly fund the development of affordable housing units, but it makes existing housing stock affordable by subsidizing residents' rents so the residents pay only 30-40 percent of their income. The voucher pays the difference between the resident paid rent and the total rent due to the landlord.

<b>Housing Choice Voucher (formerly known as Section 8) Units</b>			
<b>Public Housing Authority Name</b>	<b>HCV ACC Units</b>	<b>Public Housing Authority Name</b>	<b>HCV ACC Units</b>
DOLA/ Division of Housing	6,636	Sheridan	177
Center	25	Boulder Housing Partners	937
La Junta	102	City and County of Denver	6,732
Otero County	46	Montrose County	192
Trinidad	83	City of Pueblo	1,530
Loveland	636	City of Lamar	107
Longmont	509	Larimer County	35
Lakewood	1,411	Arvada	508
Rocky Ford	50	County of Montezuma	262
City of Brighton	240	Garfield County	434
Englewood	393	Littleton	288
Las Animas	124	Adams County	1,498
City of Fountain	240	Weld County	427
Boulder County	834	City of Colorado Springs	2,290
Aurora	1,453	City of Greeley	446
Jefferson County	1,532	Delta	226
Fort Collins	1,069	Grand Junction	1,075
<b>TOTAL UNITS</b>			<b>32,547</b>
* Source: Dept. of Housing & Urban Development, Denver Office of Public Housing, October 2015			

**Federal Tax Code:** *The federal tax code also contains two programs that support affordable housing: Low Income Housing Tax Credits (LIHTC) and Private Activity Bonds (PAB). Each is allocated to Colorado on a per-capita basis. The allocation is also tied to inflation, so the amount changes each year. LIHTCs are managed by the Colorado Housing and Finance Authority (CHFA) and have provided over \$2 billion in equity for affordable rental housing in Colorado since LIHTC's inception in 1986. Please see information by CHFA at the end of this document regarding units funded by LIHTC between 2010 and 2015. PABs are managed by the Department's Division of Housing (DOH), and Colorado received \$535,586,600 in bonding authority for 2015. DOH allocates the bonds to local governments, statewide authorities (including CHFA), and projects in accordance with the Colorado Revised Statutes. PABs are not limited to affordable rental housing development, and the bonds are not a grant source – the PABs represent authority to issue tax-exempt bonds, which enables projects to receive lower interest rate loans from banks that buy the bonds.*

22. Please provide an update on how ALL federal moneys for housing (federal, state, and local) interact. How much does Colorado (federal, state, and local) receive in total from the federal government for all these grants that deal with housing? If this cannot be accomplished, please explain why. What are the mechanisms by which these moneys are transferred? Is it even possible to get our arms around all local housing initiatives? If not, how can we coordinate these efforts?

*Please see the explanation above (question 21) regarding federal sources of funds that are available in Colorado and attached information from CHFA on the Low Income Housing Tax Credit program. The following addresses how funds interact and the mechanisms by which these funds are transferred.*

*Funds provided by the Department for new construction or acquisition and rehabilitation projects are typically highly leveraged by other sources of public and private funds. Of the state funds granted and loaned, the Department estimates that the approximately \$9.4 million awarded for rental new construction or acquisition and rehabilitation projects and homeownership projects will be leveraged by nearly \$164 million in other public and private funds, which include conventional bank financing, private activity bonds, Low Income Housing Tax Credits, Federal, State and Local gap financing; fee waivers, and charitable donations of land, buildings and individual giving.*

*Each deal is funded differently based on the funds available for leveraging, local priorities, the population served and the amount of gap funding needed to compensate for the lower rents charged to low income residents. As previously provided in the Department's Request For Information regarding affordable housing dated November 2, 2015, the Department funded 27 housing projects and programs with state grant and loan funds.*

**Block Grant Programs:** *HUD transfers funding to HOME, CDBG, ESG, & HOPWA grantees (state & local governments) by way of formula allocations based on need and an annual funding allocation letter.*

**Housing Voucher Programs:** HUD provides housing agencies such as the Department's Division of Housing (DOH) with calendar year budget authority based on the Housing Agency's previous year expenditures – no additional funding is available to support program growth. (Programs are also capped by a maximum number of Vouchers although more often budget authority is the final cap.) The only vouchers available are through client turnover, which limits the number of new families the Department can serve each year. DOH's budget for calendar year 2015 is \$36,133,366, for a maximum of 6,636 vouchers. Due budget limitations, DOH is currently only serving 5,900 families monthly.

**Federal Tax Code:** The IRS publishes LIHTC & PAB allocations annually on a per-capita basis. The allocation is also tied to inflation, so the amount changes each year. All states have access to two types of federal LIHTC to support affordable housing:

- 1) 4 percent LIHTC, which is designed to subsidize approximately 30 percent of an affordable development's costs and are paired with private activity bonds; and
- 2) 9 percent LIHTC, which is designed to subsidize approximately 70 percent of an affordable development's costs and are not eligible for private activity bonds.

**Local Housing Initiatives:** The Department has a Housing Development Specialist team that works directly with local communities to understand housing needs and initiatives around the state. Each person is assigned to a specific region of the state, so they can better know the people and agencies who develop affordable housing in their region, whether local government officials, Public Housing Authorities or private developers. A development specialist's work includes providing guidance to local officials, as well as developers who may apply for DOH funds. Housing needs vary significantly throughout Colorado as do the local initiatives taken to address housing needs.

DOH asks applicants to show local support through local financial commitments. In areas that get their own allocation of federal HOME or CDBG funds, DOH looks for a local contribution that matches the request to DOH. Local contributions may also come in the form of locally generated housing funds (a few communities have non-federal sources), property tax exemptions, and local development fee waivers.

23. Explain why the Executive Branch has submitted a request for annualizing Colorado Choice Transitions housing assistance vouchers that is "conditional" based on sufficient General Fund if the Executive Branch believes that **not** funding the request will drive net state General Fund costs in HCPF.

*The Department submitted this request to the Governor's Office of State Planning and Budgeting during preparation for the FY 2016-17 budget cycle. In light of the current General Fund forecast for FY 2016-17, tough choices resulted in this request not being submitted as a prioritized decision item with the Department's FY 2016-17 budget request on November 2, 2015. It is hoped that funding options may become available during the 2016 legislative session.*

24. Aren't there other housing resources—particularly federal resources—that could be used to assist in providing housing for people transitioning out of institutions under the Colorado Choice Transitions program? Why is state funding the only voucher program that accomplishes this result?

*HUD funds DOH's Housing Choice Voucher (HCV) program, of which, over 80% of the DOH program serves people with disabilities. Sixty of these vouchers are set aside as "Project Access" vouchers for non-elderly disabled individuals who were residing in a nursing home. DOH also offers a preference in the HCV program to "individuals exiting institutional settings."*

*In addition to the HCV program, HUD funds DOH's Permanent Supportive Housing (PSH) vouchers, which provide monthly subsidies to approximately 570 formerly homeless families with supportive services.*

***Waiting List: DOH's HCV and PSH programs have over 6,600 families on the waiting list. Local Housing Authorities maintain separate waiting lists.***

*Other public housing authorities (PHAs) in Colorado also manage HUD's Housing Choice Vouchers (see the answer to Question 21 above), but DOH is the only PHA that has a preference for serving people moving out of institutions. HUD gives PHAs latitude in setting local preferences, and all of their vouchers are committed based on those preferences. We are aware of 14 people who have moved out of an institution with vouchers from local HCV programs.*

*HUD recently awarded DOH Section 811 Project Rental Assistance for 150 vouchers over the next five years. Since it will be a project-based voucher, the earliest DOH anticipates leasing up the first tenant is the summer of 2016. In addition, this program is intended to support new construction of housing for people with disabilities, which means some units will not be available until 2018 when construction is complete.*

Explain the Department's involvement with the home modification for Medicaid clients including clients on the Colorado Choice Transitions program.

*The Department of Local Affairs, Division of Housing (DOH) and Department of Health Care Policy and Financing, Division of Long Term Services and Supports (HCPF) are working together under an Interagency Agreement to make the Home Modification benefit more efficient, effective and elegant; to improve the quality of the work; and to make it readily accessible to all eligible Home and Community Based Services waiver clients who are at risk of being institutionalized. DOH's specific role is to provide subject matter expertise on construction and contracting. DOH advises HCPF on how to improve the process and regulations governing the benefit. DOH also helps HCPF provide training and technical assistance to all agencies involved in the process. DOH oversees home modification projects in excess of \$8,000, reviewing bids to ensure client needs are met and cost-effective. DOH and HCPF work together to hold contractors accountable to their bid and to their*

*commitment to provide quality work. DOH inspects many of the projects and follows up on any client complaints no matter the cost of the modification. It is important to note that DOH does not provide any assistance with the home modification benefit allowed under HCPF's Division of Intellectual and Developmental Disabilities (DIDD).*

*DOH and HCPF have a separate Intergovernmental Agreement to further the aims of Colorado's Community Living Plan (Olmstead Plan) and to support the Colorado Choice Transitions (CCT) program. DOH operates the Community Living Colorado (CLC) Voucher program to provide rental subsidies to CCT clients and to others who wish to move out of institutions (or avoid being institutionalized). DOH also provides HCPF and its service agency partners with training and technical assistance so that they can help their clients find suitable homes in the community. DOH maintains an inventory of accessible rental homes, and is trying to work with landlords to ensure that they make accessible homes available to people with disabilities when such units become available.*

*DOH and HCPF are also working together on ways to make it easier to use the Home Modification benefit for people trying to leave an institution. This benefit was originally designed to help people stay out of institutions, not leave an institution. It is based on the premise that its clients are already living in the community, so it does not allow for work to be completed on a home before the client moves in, while they are still institutionalized. DOH has identified other sources of home modification work (through local government and charitable programs) that can help some clients do the initial, minimum amount of work required to allow them to leave the nursing home and move into their new home. The remaining home modification work can then be completed using their Home Modification benefit. DOH and HCPF continue to work together on ways to streamline this process.*

### **3:40-4:20 LOCAL GOVERNMENT SEVERANCE AND FEDERAL MINERAL LEASE FUNDING**

#### *Proposed Sweep to General Fund*

25. Please clarify the Executive request to transfer additional funds from the Local Government Severance Tax Fund to the General Fund this year. Is the Executive requesting that the JBC carry this bill? What is the impact of this proposal in the Department of Local Affairs? Is it appropriate to take these moneys in FY 2015-16, when severance tax revenue is declining?

*It is the hope of the Executive Branch that the JBC will sponsor this legislation. The Department was already expecting transfer of these funds as part of SB 15-255. This legislation to transfer \$20 million from the Severance Tax Fund was adopted when revenue projections were higher than expected.*

#### *Energy Impact Grant Funding*

26. [Background: JBC staff's analysis indicated that there was not a statistically-significant relationship between FY 2015-16 energy impact scores and energy impact grants awarded by county from FY 2008-09 to FY 2014-15.] Why are federal mineral lease and local government severance taxes being directed to areas that are not energy impacted? Isn't this an inequity and contrary to federal law? What steps will the department take to remedy the situation of having moneys go to areas that are not energy impacted?

*Section 39-29-110 (1)(b)(I), C.R.S., states that, “Seventy percent of the funds from the local government severance tax fund shall be distributed to those political subdivisions socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels subject to taxation...for the planning, construction and maintenance of public facilities and for the provision of public services.”*

*The program has seven application evaluation categories for rating projects including the Energy Impact Score (EIS), which is calculated utilizing four factors:*

- permits*
- production*
- employee residency as established in Sections 34-63-102 (1)(c) and 39-29-110 (1)(c), C.R.S.*
- the cost/revenue which is the ratio of industry impacts (active wells, rig count, HUTF road miles, employee residence, mine inventory) to estimated property tax from production and direct distribution payments by county.*

*These metrics for both the Mineral Leasing Fund, as created in Section 34-63-102 (1)(a)(II), C.R.S., and the Local Government Severance Tax Fund, as created in Section 39-29-110 (1)(a)(I), C.R.S., are reviewed and approved annually by the Energy Impact Assistance (EIA) Advisory Committee established in Section 34-63-102 (5)(b)(I), C.R.S. The Committee’s role includes “...continuously review[ing] the existing and potential impact of the development, processing, or energy conversion of mineral and fuel resources on various areas of the State including those areas indirectly affected . . . to assist . . . with problems occasioned by such development . . .”.*

*The EIA Advisory Committee annually reviews the direct distribution formula and continues to assess the statewide impact of mineral and energy extraction activities. Federal mineral lease dollars include royalties, rents, and bonuses from mineral and gas extraction on federal lands. A portion of these moneys are deposited into the Local Government Mineral Impact Fund, as created in Section 34-63-102 (5)(a)(I), C.R.S., and distributed by the executive director of the Department of Local Affairs pursuant to Section 34-63-102 (5.4)(c), C.R.S. As a result, the Department continues to view extraction activities as a matter of statewide concern that must ensure inequities are balanced.*

*The statutory direct distribution of funds and historical mineral and energy extraction activity serve as foundation for the program. Below are two maps showing the direct distribution of funds and grants made statewide with a layer of the current impact score assigned per county. Where higher levels of current activity and impacts are shown, you will see the greatest amount of funds awarded.*

# Energy Impact Grant Awards by County

July 1, 2008 to June 30, 2015

Total of Grants:

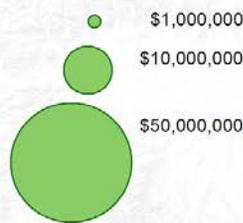
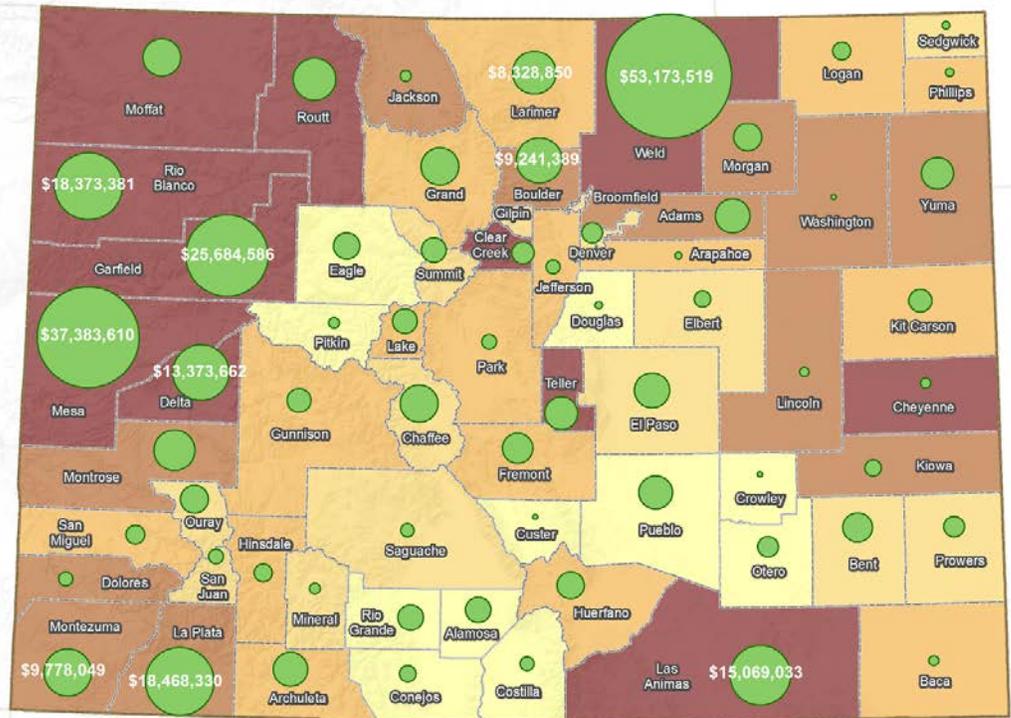


Table:

Weld	\$53,173,519	Kit Carson	\$2,886,780
Mesa	\$37,383,610	Clear Creek	\$2,637,718
Garfield	\$25,684,587	Denver	\$2,373,133
La Plata	\$18,468,330	Huerfano	\$2,343,702
Rio Blanco	\$18,373,381	Otero	\$2,313,081
Las Animas	\$15,069,034	San Miguel	\$2,016,210
Delta	\$13,373,662	Hinsdale	\$1,886,235
Montezuma	\$9,778,049	Logan	\$1,817,081
Boulder	\$9,241,389	Lincoln	\$1,802,716
Larimer	\$8,328,850	Conejos	\$1,560,917
Routt	\$8,073,729	Kiowa	\$1,557,773
Montrose	\$7,486,537	Park	\$1,372,276
Chaffee	\$6,852,367	San Juan	\$1,256,983
Moffat	\$6,623,999	Costilla	\$1,238,484
Grand	\$6,622,692	Jefferson	\$1,195,726
El Paso	\$5,850,345	Dolores	\$1,174,355
Archuleta	\$5,702,911	Saguache	\$1,083,030
Adams	\$5,519,114	Mineral	\$786,000
Pueblo	\$5,500,350	Pitkin	\$750,549
Teller	\$5,218,307	Jackson	\$746,000
Yuma	\$5,045,002	Cheyenne	\$714,982
Fremont	\$4,918,534	Baca	\$673,750
Bent	\$4,295,190	Lincoln	\$636,145
Morgan	\$3,961,069	Phillips	\$534,284
Curry	\$3,864,475	Sedgwick	\$400,000
Huerfano	\$3,705,839	Douglas	\$399,000
Eagle	\$3,478,532	Arapahoe	\$372,500
Rio Grande	\$3,414,778	Custer	\$332,190
Alamosa	\$3,318,513	Crowley	\$227,200
Summit	\$3,207,593	Washington	\$197,570
Lake	\$3,205,411	Broomfield	\$0
Gunnison	\$3,046,389	Gilpin	\$0



Impact Score: 3 4 to 5 6 7 to 8 9 to 10

DOLA: 11-23-2015

Flannery Compensation used to aid in visual comparison of symbols.

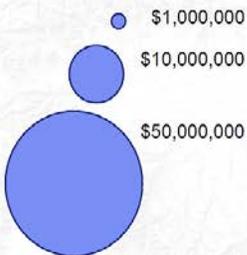
\*Municipal and Special District Grants included in their corresponding County Totals. Statewide grants excluded.

Sources: Esri, USGS, NOAA

# Direct Distribution Awards by County

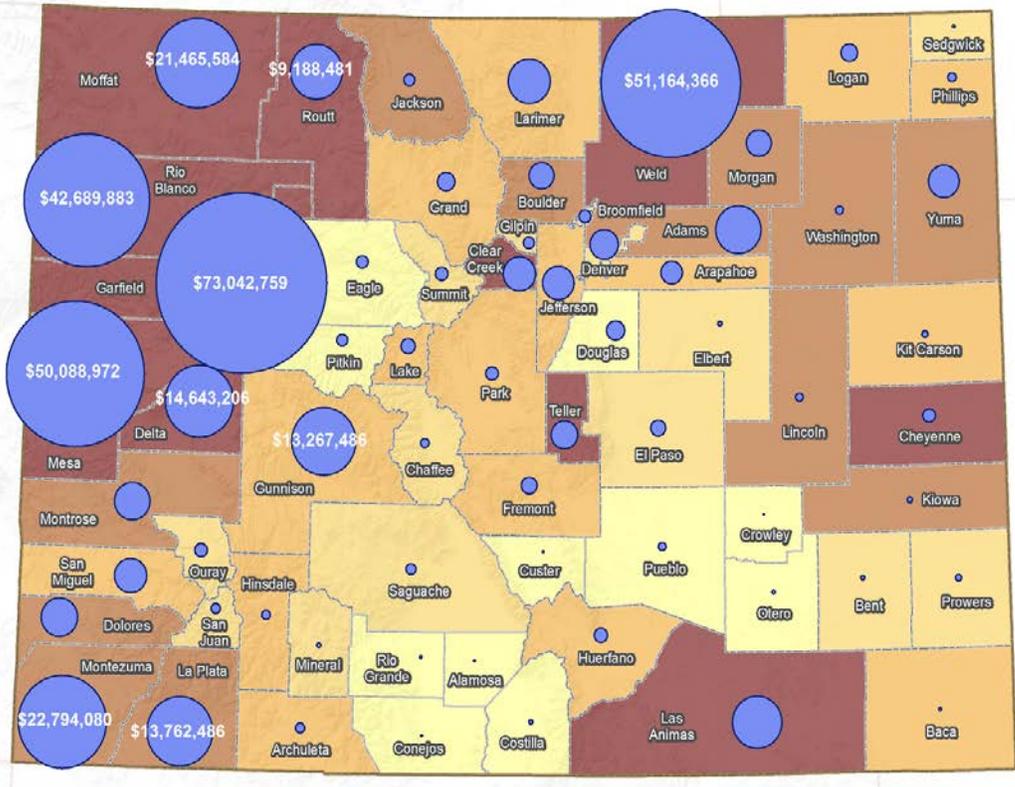
July 1, 2008 to June 30, 2015

**Total of Grants:**



**Table:**

Garfield	\$73,042,759	Summit	\$774,793
Weld	\$51,164,366	Cheyenne	\$720,019
Mesa	\$50,088,972	Park	\$717,988
Rio Blanco	\$42,689,883	Broomfield	\$714,512
Montezuma	\$27,754,080	Eagle	\$667,387
Moffat	\$21,465,584	Jackson	\$652,933
Delta	\$14,643,206	Park	\$645,380
La Plata	\$13,762,486	Gilpin	\$619,651
Gunnison	\$13,267,486	Saguache	\$664,120
Routt	\$9,188,481	San Juan	\$459,808
Las Animas	\$8,489,638	Archuleta	\$444,502
Adams	\$7,200,091	Chaffee	\$420,091
Larimer	\$6,429,805	Hinsdale	\$388,308
Dolores	\$4,955,927	Phillips	\$381,442
Montrose	\$4,078,290	Washington	\$370,734
San Miguel	\$4,014,948	Pueblo	\$353,408
Clear Creek	\$4,000,579	Lincoln	\$340,923
Jefferson	\$3,834,342	Powers	\$251,081
Yuma	\$3,656,294	Kit Carson	\$212,007
Denver	\$3,146,418	Kiowa	\$181,990
Teller	\$2,949,530	Costilla	\$148,972
Morgan	\$2,570,408	Mineral	\$143,704
Boulder	\$2,560,585	Bent	\$138,917
Arapahoe	\$2,045,018	Elbert	\$131,298
Douglas	\$1,502,748	Otero	\$82,588
Grand	\$1,423,992	Baca	\$77,054
Logan	\$1,237,887	Rio Grande	\$77,110
Fremont	\$1,191,001	Sedgewick	\$58,380
El Paso	\$1,119,820	Conchos	\$45,486
Lake	\$977,563	Alamosa	\$30,041
Huerfano	\$967,818	Custer	\$30,674
Ouray	\$832,744	Crowley	\$23,389



**Impact Score:** 3 4 to 5 6 7 to 8 9 to 10

DOLA: 11-23-2015

Flannery Compensation used to aid in visual comparison of symbols.

\*Municipal and Special District Grants included in their corresponding County Totals. Statewide grants excluded.

Sources: Esri, USGS, NOAA

*For example, impact grants made between July 1, 2008, and June 30, 2015, show that the top 10 total dollars awarded through the discretionary grant program per county were made to the communities with the highest EIS values. The following are awarded on a scale of 1-10.*

Amount Awarded	County	Energy Impact Score FY15-16
\$54 million	Weld	9
\$39 million	Mesa	9
\$27 million	Garfield	9
\$21 million	La Plata	8
\$20 million	Rio Blanco	10

\$19 million	Las Animas	9
\$13 million	Montrose	8

27. How can you get an energy impact score of 3 when there is no energy impact in the county?

*By definition, an Energy Impact Score (EIS) of 3 can only be achieved if there are energy impacts in a given county. Most commonly if there is no current energy production occurring in a county, then another metric such as resident employees or active mining or new well permits is contributing to the Department's EIS.*

*As stated in the response to Question 26, the EIS is calculated utilizing four factors. It utilizes permits, production, employee residency as established in Sections 34-63-102 (1)(c) and 39-29-110 (1)(c), C.R.S., and the costs of industry impacts (active wells, rig count, HUTF road miles, employee residence, mine inventory) compared to estimated property tax from production and direct distribution payments by county. Annually, the per capita industry costs to revenue gap identifies those areas where revenues are exceeded by industry impacts.*

*For example, Pitkin County received an EIS of 3 in 2015, which increased from an EIS of 1 in 2014, because the county went from zero to ten active wells, added four new well permits, and also experienced growth in the resident employee counts. These changes impacted each of the permit, employee residency, and cost/revenue factors.*

28. Why do we allocate energy impact funds via grants at all? Why don't we do this via formula and eliminate the need for a grants process?

*The legislature created a two-pronged response to the extraction of nonrenewable resources and to support communities impacted by these extraction activities. DOLA believes by having both a direct distribution to communities impacted by current extraction activities and a discretionary grant program, communities receive funds to both mitigate historic and current impacts, but to also support the long-term planning for the construction of public facilities and for the provision of public services into the future.*

*In addition, having complementary programs to accommodate the unique needs and circumstances of individual communities has historically made sense. For example, formulaic distributions are partially based on a population metric. As a result, a lower population community with a high EIS may receive a small direct distribution and will not be able to afford large infrastructure projects out of their own funds. For example, the town of Silt in Garfield County (EIS of 9) received \$196,670 in direct distribution dollars in FY 2014-15. Silt recently requested a \$450,000 discretionary grant to complete infrastructure and main street improvements because they do not have adequate funds for the project. Historically communities utilize the discretionary grant program for one-time, large infrastructure projects, while direct distribution dollars are used for on-going operational maintenance of the infrastructure itself.*

*Lastly, the legislature should take into consideration that the discretionary grant program holds communities accountable for the intent of the funding purpose through the applications and contract process. Within statute, the direct distribution of severance and federal mineral lease does not direct the purpose of the funding nor does it require any reporting on how the moneys are used. A local government can mingle those moneys into any portion of its operations budget without stating what impacts are being addressed.*

***Energy Impact Funds – Local Affairs Broadband Initiative Grant Program***

*[Background: In 2014, HB14-1328 was passed and signed by the Governor creating the Broadband Deployment Board for the purpose of broadband deployment in unserved areas of the state. The board was selected on the basis of their knowledge of and interest in broadband service. The composition of the board includes representatives of local entities, the broadband industry and members of the public which represent unserved areas of the western slope, eastern plains and urban areas.*

Specifically, the board was to focus on funding projects that would serve those areas of the state which are currently unserved. The statute goes on to outline how six months prior to accepting any applications the board is to work with local incumbent providers and local entities about the broadband fund and its purpose to deploy broadband service in the unserved areas. The board shall ensure that both the manner and amount of notice provided are adequate and equitable for all potentially eligible applicants.

Although the Department of Local Affairs is not legally obligated under this particular statute, the broadband fund and board were specifically set up to make sure scarce dollars are not wasted and actually go towards providing broadband to those areas of the state that are truly unserved. ]

29. Are broadband grants specifically authorized under the Energy and Mineral Impact Assistance Fund? If so, please provide that authorization. If not, please justify the rationale for using EMIAF funds for this purpose.

*It is important to note that EIAF is a programmatic reference that combines the discretionary grant authority provided to the Department in the establishment statutes of both the Mineral Leasing Fund and the Local Government Severance Tax Fund. This authority is consolidated in the EIAF with the creation of the Energy Impact Assistance (EIA) Advisory Committee established in Section 34-63-102 (5)(b)(I), C.R.S.*

*Throughout the history of the program, communities have identified their community's unique needs as a result of being socially and/or economically impacted by the extraction of nonrenewable resources and have prioritized their critical infrastructure and the provision of public services for the EIAF grant process. The Department responds to the community's priorities through the EIAF discretionary grant program as recommended by the Advisory Committee.*

*Over the past three years, local jurisdictions across the State have begun contacting the Office of Information Technology (OIT), the Office of Economic Development and International Trade (OEDIT), and the Department for assistance in prioritizing critical*

*broadband infrastructure needs to support both community and economic development goals. As recommended by the Advisory Committee, the Department responded by providing planning assistance and middle-mile infrastructure grants for broadband as a critical infrastructure essential to provide stronger education, healthcare, public safety, and economic development services.*

*Section 39-29-110 (1)(b)(I), C.R.S., authorizes funding by the Department for discretionary grants and reads, in part, “. . . funds from the Local Government Severance Tax Fund shall be . . . used for the provision of public services.”. As mentioned previously, Section 34-63-102 (5)(b)(I), C.R.S., requires the EIA Advisory Committee to “. . . make continuing specific recommendations regarding any discretionary distributions by the executive director of the department of local affairs . . .” relating to both the Mineral Leasing and Local Government Severance Tax Funds.*

30. What are the criteria used to award broadband grants? Are you prioritizing unserved areas of the state with your grant program? What is your definition of unserved? Have you connected any unserved areas to date? If yes, where and is the local incumbent provider part of that partnership? If not, why not? Where did DOLA get their definition of middle mile? Why does it include Community Anchor Institutions (CAI)? Isn't that service considered commercial service normally supplied by private providers? If not, why not?

*In addition to being required to follow the primary EIAF program grant making criteria and process, the planning and infrastructure initiative has additional criteria.*

***Criteria for planning grants:***

- Planning grants must be a regional collaborative process, at a minimum at a county level. Regions are primarily defined by the 14 State Planning and Management area boundaries.*
- Grantee must endeavor to include private sector service providers to participate in the planning process including development of solutions.*
- Potential private sector as well as public/private solutions must be considered.*
- The regional planning process must assess the current level of broadband availability, including used and unused capacity, and the community's desired broadband service level, including prioritization of needs (redundancy, reduced costs, increased speeds etc.) and possible options for achieving desired service levels*
- Once regional plans have been completed, DOLA will support efforts to develop more detailed plans necessary to develop applications for middle-mile infrastructure grant applications.*

***Criteria for infrastructure grants:***

- Infrastructure grant applications will be considered only after demonstration that the proposed project is consistent with a regional broadband plan, and if applicable, more detailed sub-regional (county) plans.*

- *Middle-mile infrastructure is considered any infrastructure that is utilized to provide or enhance the network connection between communities and a provider of core network services, including the interconnection of community anchor institutions (CAIs). Typically, middle mile infrastructure will be considered to terminate at local fiber loops connecting CAIs. Such loops should be designed with good access points (“hand holes”) for last-mile connections. Where appropriate, fiber to publicly-owned towers or other critical public infrastructure will be considered middle mile.*
- *The funds shall not be used for last-mile deployments, which will be considered any infrastructure that terminates at a residential, business or other non-governmental address (“fiber to the curb”). Thus, connections from CAI loops to neighborhoods are considered last mile. This limitation excludes service provision equipment such as routers, switches and the like from consideration for funding from this program. However, projects submitted for funding must demonstrate plans for eventual use of the system, including plans for operation, maintenance and system upgrades. Public/private partnerships to provide service are encouraged.*
- *Basic infrastructure such as conduit systems, fiber, towers, rights of way, and similar systems necessary to enhance middle mile connections will be considered for funding. For applicants who are subject to the restrictions of SB 05-152 (Sections 29-27-101 et seq., C.R.S.), funding for fiber that is intended to benefit non-governmental users (e.g., private citizens, businesses) will be limited to dark fiber.*
- *Any infrastructure built with program funds and offered to private entities must be done so in an open access, competitively neutral model. Access and rates must be provided on a competitively neutral and non-discriminatory basis for all providers regardless of technology.*
- *Applicant will be required to allow use of any infrastructure for public safety purposes and encouraged to work with local public safety entities to define their specific needs.*
- *Applicant must agree to share infrastructure location information (GIS) to assist the state in building an asset inventory.*
- *Applicant is encouraged to work with the private sector to investigate, secure, and leverage other available funding such as the Broadband Fund created in Section 40-15-509.5 (4)(a), C.R.S. Applications which have a private sector application counterpart under consideration by the Broadband Deployment Board will be given special consideration in order to leverage State funds.*

*The DOLA broadband grants are not exclusively guided by specific broadband definitions for unserved or underserved areas; rather it follows the EIAF program criteria and scoring methodology. Grants are also awarded based on financial need, among other review criteria. As a consequence, the majority of grant funding is directed to smaller and more rural communities, which are precisely the areas where sufficient broadband service is lacking.*

*The definition of unserved being utilized by the EIAF is the current FCC minimum standard for broadband of 25 Mbps down/3 Mbps up. Per the State’s broadband map maintained by OIT, 32 percent (222,859 people) of Colorado’s rural population and 7 percent (352,044 people) of the overall state population do not meet the minimum standard for broadband.*

*At this time, three regional plans have been completed and nine are underway with expected completion dates in 2016. Six infrastructure grants have been awarded with anticipated construction in 2015 or 2016. As a part of overarching policies and specific criteria for the funding of local government broadband planning and infrastructure projects, local governments “must invite any private sector service providers to participate in the planning process including the development of solutions,” and “potential private sector as well as public/private solutions must be considered.”*

*The definition of middle-mile was created with OIT, Northwest Council of Governments (NWCOCG), and a number of county information technology executives. This infrastructure allows service providers (including incumbents) to deliver broadband bandwidth and services closer to businesses, government, and consumer locations. The last mile is specifically excluded from DOLA funded projects to not interfere with service provider’s ability to generate revenue through service delivery and a direct relationship with their customers. The need and role for middle-mile infrastructure has been described by Rio Blanco County Commissioners as “equivalent to the need for the county to maintain their road infrastructure to support the local economy and the public.”*

*In consultation with OIT, OEDIT, and the Region 12 (northern central mountain area) broadband expert, it has been determined that connection of Community Anchor Institutions (CAIs) is essential for provision of government services to these communities. While CAIs could be considered provider service, it is the belief that the community wide impact of these institutions justifies utilizing EIAF funds to enhance the connectivity to these institutions. The connectivity demands of institutions such as schools and hospitals are quickly outpacing the ability for incumbent providers to affordably provide service to these institutions. The definition of unserved being utilized is the current FCC definition (as referenced in state statute) which is 25 Mbps download and 3 Mbps upload. This does not in any way exclude an incumbent provider’s ability to provide services to these organizations; in fact, it enhances their ability to generate additional revenues by providing a network path capable of delivering additional services to these entities. Whether an incumbent provider chooses to use an open middle-mile network and its connections to reach more customers and provide additional services is their decision alone.*

31. How are you ensuring that local entities applying for grants are adequately including the local incumbent provider at the front end and providing them with adequate notice? Are those local incumbent providers given first right of refusal to partner with the local entity/ies? If not, why not? Will you deny an application if the local incumbent provider can show they were not included in initial discussions and were not given an opportunity to partner with the local entity? If not, why not?

*The Department’s broadband grant program requires that regional plans be completed prior to submitting an infrastructure project which ensures that incumbent providers are included upfront to provide data and to be part of the strategic planning process. Given the limited infrastructure in most rural areas, most of which is owned and operated by incumbent providers, documenting existing services, fiber paths, and provider network capabilities*

*necessitates the involvement of incumbent providers. The strategic broadband plans are made available on the Department's website once completed and usually identify locations and projects that could be pursued to improved broadband services in that region or community. Beyond the applicant engagement of providers in the planning process, regions have included incumbent providers on their project bidders list for the strategic planning process, network engineering, or last-mile network management and service delivery. The Department continues to advise potential and current broadband grant awardees to include incumbent providers in their projects and requests for proposal (RFPs).*

*For example, to accommodate a request from one incumbent provider, the Department asked grant participants to lengthen their RFP response window to 60 days, where practical, to accommodate the incumbent provider's response. To date, no incumbent provider has submitted a response to these RFPs. RFP responses have been received from other businesses and broadband providers including local internet service providers, competitive local exchange carriers, consultants, and other niche service providers.*

*The Department has advised that service providers be invited at the front-end of the broadband planning processes in order to be eligible to apply for grants. As a part of overarching policies and specific criteria for the funding of local government broadband planning and infrastructure projects, local governments "must invite any private sector service providers to participate in the planning process including the development of solutions," and "potential private sector as well as public/private solutions must be considered." These plans, led by local stakeholders are necessary to ensure any funds expended are in line with local needs and interests. As well, the Local Planning Technology Committees, comprised of local leaders, service providers and other stakeholders in each region have been collaborating and discussing strategies for regional services. In fact, one of the regional planning efforts is being chaired by a local incumbent provider.*

*Lastly, the local government must follow the public process required for them to not only apply for the grant but also post notice of such conversation. In the local government processes, the local board posts notice of their public meetings and when they vote to approve a grant application to be submitted to the Department. After award of a grant, they then follow their procurement posting rules for any vendor solicitation.*

*The Department cannot speak to the denial of an application because current grantees are in compliance with the requirement that they shall ensure the providers have been invited to participate in the planning process. Such an application would likely not be competitive since the Department seeks, among other factors, to fund projects that are well planned. A prospective applicant that does not include a provider may have a difficult time proving itself ready and, thus, competitive. While provider involvement is important, lack of involvement is not reason enough for denial of an application. Grant applications are reviewed and evaluated against the criteria of the initiative itself and that of the EIAF program overall.*

32. Are you funding projects that will directly compete with the local incumbent provider for the community anchor tenants for which they need to sustain existing broadband service? What happens if the local provider can no longer economically justify continuing to provide

broadband service to a community receiving a DOLA grant? Does DOLA have a contingency plan to serve those customers?

*The Department is not funding projects that are intended to compete directly with local incumbent providers for community anchor institutions (CAIs). The inclusion of fiber connectivity to CAIs is intended to enhance the ability of local incumbents and other service providers to deliver increased levels of service to organizations that provide essential services to a community. In all projects funded to date, the local governments are working with providers to ensure governments are not providing end-user service. It is important to note that there are many private sector broadband companies that are not traditional 'incumbent' providers that are the suppliers of the end-user service. Within the broadband grant program, grantees are facilitating the installation of infrastructure that can be used by multiple private sector providers on a competitively neutral basis. Separating the infrastructure from the service allows for competition within communities, which will increase quality of service and decrease the cost.*

*The local governments are responsible for deciding what would occur in the event such a situation were to arise. Our application process requires an operations and maintenance plan for future sustainability. The local governments must invest matching dollars to the grant program so they have not only a local priority need that must be reassured at application, but also a long-term and financial commitment to success.*

33. When and where is the agenda of the DOLA grant hearings published for public notice? If a local incumbent provider does not receive notice of a potential DOLA grant or is excluded from participating in a DOLA grant application, how do they voice opposition or concern to the granting board? Is there a formal process to appeal/protest the approval of the grant application? If not, should there be a separate process established for broadband grants since they are very different from other impact grants (sewer, water, roads and government buildings)? Should this separate process include at least sixty days-notice from DOLA to the local provider including a detailed explanation of a written comment period, specific public comment period for broadband grants and written explanation by the Board of why they approved or denied the grant? Has any project ever been denied because an incumbent provider objected? If not, why not?

*Per the State's 'sunshine' laws, the Department's Energy Mineral Impact Hearings are posted by date and location on our web-site. Also each applicant jurisdiction is given notice of same and is thereby part of the public record for meetings to be attended by members of the governing jurisdiction. Grant application hearings afford public comment. The Department provides for, and has received, public comment both in person and in writing from the telecommunications industry. Because of the time it takes to review these projects with the Energy Impact Assistance (EIA) Advisory Committee, the Department provides additional hearing time due to the nature of these applications.*

*Funding for these projects is made available through the EIAF requiring recommendations from the EIA Advisory Committee. Applications to the program are complex so the Department has employed the expertise of both OIT and OEDIT. Such is the case with this program--it follows the same process of the primary grants and brings in Colorado's experts to advise the both the Advisory Committee and the Department. Broadband is a primary infrastructure and, as a result, should not be held separate from other grant applications. A separate process exclusively for incumbent providers to comment is not necessary as they have adequate notice and time to provide comment.*

*There is also the local government public process that is required for grant application approval by community boards and purchasing policies for acquisition of services. Incumbent providers, if they are engaged with their customers, should be fully aware of the market requirements, opportunities, and the needs for local governments to enhance broadband services to their communities.*

34. Who are your network experts making the granting decisions and what is that experience with broadband networks? If there is no broadband network experience how are you determining if a project is feasible?

*The Department's executive director holds the authority for grant making decisions. All submitted grant projects are first vetted by engineering consultants with broadband experience hired by local government applicants. The regional broadband coordinator for the Northwest Council of Governments (NWCOC) and the Department's state agency partners at OEDIT and OIT are consulted on all applications. NWCOC's regional broadband coordinator has extensive consulting and industry experience specifying, designing, and deploying both broadband and wireless public safety networks.*

*As mentioned previously, the infrastructure grants are only provided to entities that have completed the regional planning process. These plans must be developed by individuals and organizations with broadband experience. The Department utilizes both local expertise and the input of OIT to determine if the underlying technology is viable and feasible.*

*Region 12's (north central mountain area) broadband coordinator has consulted on other regional planning efforts including Region 14 (Huerfano and Las Animas Counties), the Pueblo Council of Governments, the San Luis Valley Council of Governments, and the Southwest Colorado Council of Governments.*

35. To expand more on my previous question, as I mentioned the Broadband Deployment Board earlier, which was set up specifically for their expertise, are you working with them and taking advantage of that expertise and if not, why not? Would the broadband board be better equipped to make these decisions? If not, why not?

*Through the state's current broadband efforts, coordinated by OIT, the Department fully intends to complement its efforts with the Broadband Fund and any other applicable funding mechanisms. A representative from the Department is appointed by the Governor to the Broadband Deployment Board, so close coordination is anticipated in the future. The*

*Broadband Deployment Board will be focused on funding last-mile services and infrastructure with grants available to the private sector. The Department's broadband grants are focused exclusively on providing open network middle-mile infrastructure to deliver broadband bandwidth to communities and their CAIs through a local government. Separation of these projects augments the ability of the Broadband Deployment Board to focus exclusively on last-mile projects and the delivery of services directly to businesses, governments, educational institutions, and consumers.*

36. Referring back to the broadband deployment statute, it specifically states that in order to minimize conflicts with, or duplication of, federal sources of high cost support or federal broadband grants so as to maximize the total available state and federal support for rural broadband development. The federal Connect America Fund (CAF) was set up specifically to provide all unserved rural Americans with broadband. We are now entering the second phase of that program and I know that CO incumbent providers have and will be receiving funds to provide broadband to rural CO. Have any of your grants been given to communities where the incumbent provider is already receiving federal high cost or CAF money? Do you find this duplicative and a waste of resources that could go to other unserved areas that may need it? If you don't think so, why not?

*The Department supports leveraging all applicable funding sources when local governments and regions are applying for and receiving funding for broadband infrastructure and services by allowing them to be applied as part of local matching funds for EIAF broadband projects. Knowledge of and flexibility in the source of public and private matching funds is especially important to economically challenged communities and those impacted by energy and mining industry activities. It is also important to note that the Department has encouraged communities to meet with incumbent providers to discuss the potential to leverage the EIAF program with the Connect America Funds (CAF) program and have been informed that such meetings have taken place. In speaking with local governments, they would be pleased to work with the incumbent provider in bringing CAF moneys to their jurisdictions.*

37. How much money in the grant process has been allocated to consultants and not infrastructure? What type of consultants are they? Are the contracts of those consultants based on successful completion of the project? Are the consultants the best allocation of resources? If the local entity were working directly with the local incumbent provider, would a consultant be necessary?

*To date, the Department has invested \$1,154,572 in nine regional plans. The consultants selected for both strategic plan development and engineering studies are industry experts in broadband and telecommunications. Some have additional direct experience as service providers. Working with industry experts provides the best use of financial resources, providing local governments with a broad range of deployment solutions, business models*

*and insight on public/private partnership options that are unavailable from incumbent providers.*

*Working exclusively with incumbent providers, communities would be limited to the same business models, high prices, legacy network architecture, and last-mile technology solutions that incumbents have repeatedly stated are economically unsustainable in rural areas of the state. Newer network technologies and hybrid fiber/copper wireless network solutions can cost effectively deliver broadband to many locations in rural areas with a good return on investment. These types of solutions are not currently part of the product mix available from many incumbent service providers.*

*The purpose of the consultants and the planning process is to provide an independent analysis of the broadband environment and develop unbiased recommendations. The consultants who are awarded these contracts are done so through an open, competitive process that is open to any private vendor, including incumbent providers. The Department believes it is critical that any large-scale infrastructure investment be implemented through a well thought out planning process. This approach is consistent with other infrastructure efforts funded by the Department.*

38. How do you measure success of a project? It is my understanding that the applicant must show they either have some tax payer funding or small private contribution to put towards the project on their own, but the local entity or small private contributor are getting much more back in tax payer grant money than they ever put in, do you have any accountability requirements for a particular project? If so, what are they? What happens if the project fails?

*Success metrics and milestones are integrated into each project contract. The Department actively tracks progress through reporting requirements. Each project contract with a local government who has selected vendors and consultants is required to have performance clauses.*

*There are two different measures of success. For the planning process, the measure of success is a completed regional broadband plan that is agreed upon by the local stakeholders that commissioned the plan. The planning process for broadband is consistent with other infrastructure projects funded through the EIAF program.*

*For infrastructure grants, success will be measured by whether or not the projects meets the specific goals outlined in the application. To date, all infrastructure projects awarded are still in the early phases of development. Infrastructure development projects will only fail if service providers, including incumbents, fail to take advantage of the cost savings, network redundancy, and extended middle mile coverage these projects provide to rural communities. As part of the review process, the Department reviews each opportunity to ensure there are providers interested in participating in these projects.*

*Yes, a local match funding contribution is required for each project. This match is at least 25 percent for planning projects and at least 50 percent for infrastructure projects.*

**4:20-4:30 OTHER**

39. Please provide an update on the status of the new Marijuana Tax Cash Fund local government grant program authorized in the department in FY 2015-16. What steps are you taking to implement the program? Will you be able to fully use available funds this year? Please describe any administrative, legal or financial issues you are working to address.

*The Department anticipates the following schedule for the Marijuana Tax Cash Fund local government grant program:*

- *December 2015 and January 2016 - the Division will be gathering together stakeholders to draft program policies and guidelines.*
- *January and February 2016 - a notice of funding availability will be published.*
- *March 2016 - applications will be accepted. The \$1 million from the program will be fully awarded.*
- *April 2016 - grant awards will be completed.*

*Yes, the Department will be able to fully utilize available funds by the end of FY 2015-16.*

*Key program elements of note and administrative elements worked on to date include:*

- 1. Identification of eligible entities based upon the grant program*
- 2. Clear identification, per program requirements in law, that youth and law enforcement activities receive priority.*
- 3. Announcement of the Program Manager position will occur in December 2015 with the manager anticipated to begin work in January 2016.*

40. Please provide an update on Conservation Trust Fund distributions and uses of the Conservation Trust Fund, in light of the recommendation from the JBC analyst for capital construction that the JBC should refer a measure to the citizens to redirect lottery funds to support higher education capital construction.

*The Colorado Constitution (Article XXVII, Section 3), as amended in 1992, directs 40 percent of the net proceeds of the Colorado Lottery to the Conservation Trust Fund (CTF) for distribution to municipalities and counties and other eligible entities for parks, recreation, and open space purposes.*

*The Department distributes CTF dollars from net Lottery proceeds to over 470 eligible counties, cities, towns, and Title 32 special districts that provide park and recreation services in their service plans. CTF funds are distributed quarterly (March, June, September and December) on a per capita basis within the calendar year.*

*Calendar year distribution totals were:*

*2013 CY dist total: \$55.4 million went to 466 local governments*

*2014 CY dist total: \$50.2 million went to 470 local governments*

*2015\* CY dist total: \$39.1 million went to 473 local governments*

*\* (partially complete CY - December funds not processed yet)*

*Local governments report annually to the Department on how they spent their CTF dollars in the prior year. The top five ways in which dollars were spent by local governments in 2014 were:*

- 1. Recreational Site Capital Improvements: \$25.5 million*
- 2. Recreational Site Maintenance: \$20.1 million*
- 3. New Conservation Development: \$4.6 million*
- 4. New Conservation Maintenance: \$2.7 million*
- 5. New Conservation Acquisitions: \$1.9 million*

*It is understood that a great deal of funds are used on maintenance activities for locations purchased by CTF, as well as support for jobs and maintenance in conservation areas. For example, of the \$2 million available for use by El Paso County from CTF, \$1 million was used for park maintenance salaries for locations that included the Bear Creek Regional Park, Fountain Creek Regional Park, and the El Paso County Fair.*

*Funding can be used for:*

- acquisition, development, and maintenance of new conservation sites; or*
- capital improvements or maintenance for recreational purposes on any public site.*

*A referendum to revise the State's constitution to remove the CTF will have a significant economic impact to local governments. Colorado communities proudly preserve their outdoors for not only recreation, but also utilize preserved areas and recreation facilities to attract new businesses interested in relocating to Colorado.*

41. Provide an update on your efforts to address issues raised in the audit of the Local Government Limited Gaming Impact Grant Program. Wouldn't it be more efficient to administer this program via formula and eliminate the need for a grants process?

*The Department has completed all recommendations on schedule and is 90 percent complete with program improvements. The issues identified can be broken down into three areas:*

- 1. Advisory Committee Operations - COMPLETED*
- 2. Grant Awards and Documentation on Decision Making - COMPLETED*
- 3. Award Contract Management - ON TRACK*

*The legislature created a two-pronged response to the communities impacted by gaming activities. The Department believes by having both a direct distribution to communities impacted by current gaming activities and a discretionary grant program, communities receive funds to both mitigate historic and current impacts, but to also support the long-term planning for the construction of public facilities and for the provision of public services into the future.*

*Per Section 12-47.1-1601, C.R.S., the program is created as a discretionary grant program, which requires local governments to apply for funding. The statute states, in part, that ". . . after considering the recommendations of the local government limited gaming impact advisory committee created in section 12-47.1-1602, the moneys from the limited gaming*

*impact account shall be distributed at the authority of the executive director of the department of local affairs to eligible local governmental entities upon their application for grants to finance planning, construction, and maintenance of public facilities and the provision of public services related to the documented gaming impacts.”*

*Section 12-47.1-1602, C.R.S., further identifies the specific duties of the committee which includes reviewing “. . . grant applications from eligible local governmental entities...(and) making funding recommendations on a continuing basis to be considered by the executive director in making funding decisions for grant applications submitted by eligible local governmental entities . . .”.*

*The Division defers to the Department of Revenue on the elements of the formula distribution from revenues derived from gaming taxes, licensing fees, and fines paid by Colorado casinos. It is understood that these distributions are limited to only Gilpin and Teller counties. Section 12-47.1-1601, C.R.S., reflects that there are impacts from gambling within contiguous counties and the current formula distribution would not give distributions to communities that are contiguous. By having complementary programs, accommodating the unique needs and circumstances of individual contiguous communities has historically made sense because it enables communities which did not receive any direct benefit to apply for funding to mitigate impacts from the gaming industry.*

*Lastly, the legislature should take into consideration that the discretionary grant program holds communities accountable through the application and contracting process. The direct distribution of gaming taxes does not direct the purposes for which the funds are applied nor does it require reporting on how these funds are used. A local government can mingle those monies into any portion of their operating budget without stating what impacts are being addressed.*

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED**

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list.

*The provisions of HB 15-1367 have not been fully implemented since proposition BB was only adopted by the voters of Colorado on November 3, 2015. The related enabling legislation provides 1.0 FTE and \$117,585 in FY 2015-16 to the Department for program staff and operations, as well as \$1 million to fund the Local Government Marijuana Impact Grant program. As mentioned in the response to Question #39, the Department expects to utilize all these moneys by the end of June 2016.*

2. Please provide a detailed description of all program hotlines administered by the Department, including:
  - a. The purpose of the hotline;
  - b. Number of FTE allocated to the hotline;
  - c. The line item through which the hotline is funded; and
  - d. All outcome data used to determine the effectiveness of the hotline.

*None of the programs within the Department operate any telephone hotlines.*

3. Describe the Department's experience with the implementation of the new CORE accounting system.
  - a. How has the implementation improved business processes in the Department?

*CORE's electronic workflow features have started to streamline the payment and approval process by tracking approvals in the system, which leads to greater internal controls over the process. At this time, the Department utilizes the workflow functionality but due to time and priority limitations the full benefits of this feature have not been realized yet. At this point, the Department is still relying on a hybrid process of coupling physical paper documents with the electronic workflow system. The Department plans to utilize the full electronic capabilities of the system by maintaining necessary documentation attached to each transaction in the system itself and rely fully on the electronic workflow in the system. This will lead to more standardization and greater efficiencies in routing processes and file management.*

- b. What challenges has the Department experienced since implementation and how have they been resolved (i.e. training, processes, reports, payroll)?

*The Department has experienced many challenges, but understands that this is to be expected during the first year of a system implementation with CORE's size and breadth. Some of the specific issues encountered during CORE's first full year of implementation include:*

*Payroll – Payroll was not working at the statewide level for a majority of FY 2014-15, so the Department could not post payroll expenditures until late in the fiscal year and many not until after June 30th. This made it hard for managers to evaluate budgets, required grants and*

*project closeouts to be delayed, delayed reporting to federal entities, and made it difficult to transfer expenses appropriately as necessary in the normal course of operations. Since payroll didn't post until late in the year, many of these decisions regarding transfers had to occur after June 30th and did not allow for the typical flexibility in fully utilizing the Department's funding. Statewide payroll issues were fixed and booked in FY 2014-15; however, at this point, payroll for FY 2015-16 still has issues and has only recently been posted in the system for July 2015. This means many of the problems that were realized in FY 2014-15 could potentially occur in FY 2015-16 as well.*

*Reports – Centralized reports in InfoAdvantage were being developed, changed, and restructured during all of FY 2014-15. Many times reports did not tabulate correctly as full functionality of the system had to be learned in order to determine what elements needed to be included in certain report types. Additionally, many of the reports used to monitor accounting balances and as the basis for centralized procedures were not created until they were needed. This made it hard to rely on reports and utilize them to develop streamlined procedures internally. The Department vetted report data through the State's Controller and Deputy Controller for validity, then introduced into internal processes and finally made available to staff. This hampered efficiency since many reports were not available until year-end close. However, over the course of FY 2014-15, the reports became more reliable and should prove more useful in FY 2015-16.*

*Training and Processes – Like other aspects of CORE's implementation, central training and processes were being developed throughout FY 2014-15 and typically weren't available for the Department's use when needed. Much of the Department's training was hands-on learning that came from trial and error techniques. This proved to be time-consuming and frustrating, but was necessary in order to gain an overall understanding of CORE. System training and other process aspects remained primarily in the Department's accounting section and came in the form of people working together, calling the help desk, and new functionality being demonstrated to team members through frequent meetings.*

*Resources – The Department's biggest hurdle was having the resources available to address issues and concerns as they arose. During CORE's implementation phase, many issues that come up are complicated or policy driven and require high level staff with a broad understanding (Controller, Deputy Controller, or Accounting Manager) to address and resolve. In a small department, these positions are fully utilized and there are no other resources to rely on, so it is a challenge to prioritize needs and tasks in order to ensure issues get addressed in the best order possible. This resource issue will continue to be an issue for the next couple of fiscal years until our full implementation strategy (fully utilizing the system, developing streamlined procedures, and training department-wide) is reached.*

*Going forward, the Department expects things to get easier as certain decisions and tools at a statewide level have now been created and staff are becoming more sophisticated users of CORE and better understand how it works.*

- c. What impact have these challenges had on the Department's access to funding streams?

*Funding set-up and utilization is more complicated in CORE, thus adding to the staff learning curve and the time needed to initiate coding to represent and utilize each source of funding. Since this process is compiled into the various other elements of implementation, it is hard to determine the specific effects of this change since everything else changed as well. Since the Department has so many funding sources and specific awards, it makes tracking these individual aspects both cumbersome and harder to understand, which leads to slower processing times. In FY 2014-15, the main focus was setting up funding codes, utilizing them consistently, and ensuring uniform interpretation by the accounting staff.*

- d. How has the implementation of CORE affected staff workload?

*The implementation of CORE has greatly affected staff workload. During both FY 2013-14, FY 2014-15, and anticipated in FY 2015-16, the implementation of CORE did require that staff work additional hours. During FY 2014-15 year-end close, these additional hours were sometimes significant. In addition to staff hours worked, the skills needed to work in CORE are different than those needed in COFRS. This may ultimately require a change in staff classification and the related knowledge base to address. After the Department's multi-year implementation plan is complete, it is not expected that these workload issues will be a permanent issue.*

- e. Do you anticipate that CORE implementation will result in the need for a permanent increase in staff? If so, indicate whether the Department is requesting additional funding for FY 2016-17 to address it.

*At this time, the Department does not believe CORE will result in the permanent need for additional staff. However, it may result in re-evaluating the levels, classification, and knowledge base of staff needed in the future.*

4. If the Department receives federal funds of any type, please provide a detailed description of any federal sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2015-16.

*The Department does receive federal funds as part of normal operations; however, at this time, there are no sanctions associated with any funds or programs presently administered by the Department.*

5. Does the Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office and dated October 2015 (link below)? What is the department doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/4735187E6B48EDF087257ED0007FE8CA/\\$FILE/1542S%20Annual%20Report.%20Status%20of%20Outstanding%20Audit%20Reco](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/4735187E6B48EDF087257ED0007FE8CA/$FILE/1542S%20Annual%20Report.%20Status%20of%20Outstanding%20Audit%20Reco)

[mmendations,%20As%20of%20June%2030,%202015.%20Informational%20Report.%20October%202015.pdf](#)

*According to the report specified above, the Department does not have any outstanding audit recommendations.*

6. Is the department spending money on public awareness campaigns related to marijuana? How is the department working with other state departments to coordinate the campaigns?

*At this time, the Department does not sponsor or provide moneys for public awareness campaigns related to marijuana.*

7. Based on the Department's most recent available record, what is the FTE vacancy rate by department and by division? What is the date of the report?

*This information is provided in the Schedules 3 and 14 included as part of the Department's FY 2016-17 budget submission.*

8. For FY 2014-15, do any line items in your Department have reversions? If so, which line items, which programs within each line item, and for what amounts (by fund source)? What are the reasons for each reversion? Do you anticipate any reversions in FY 2015-16? If yes, in which programs and line items do you anticipate this reversions occurring? How much and in which fund sources do you anticipate the reversion being?

*This information is provided in the Schedules 3 and 14 included as part of the Department's FY 2016-17 budget submission.*

9. Are you expecting an increase in federal funding with the passage of the FFY 2015-16 federal budget? If yes, in which programs and what is the match requirement for each of the programs?

*This information is provided in the Schedules 3 and 14 included as part of the Department's FY 2016-17 budget submission. Congress is not expected to make final funding decisions for both HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) until December 11 (when the current continuing resolution expires), federal agencies that allocate these funds to states have indicated that amounts provided in FFY 2014-15 will remain the same in FFY 2015-16.*

*Federal matching requirements vary by program. The CDBG program allows 3 percent of the federal moneys to be spent on administrative costs, but the State is required to match this portion on a dollar for dollar basis. The HOME program and the Emergency Solutions Grants (ESG) require a match from the grantee or recipient, but not from the State. Lastly, Housing Opportunities for Persons with AIDS (HOPWA) doesn't require a match from the State or the recipient.*

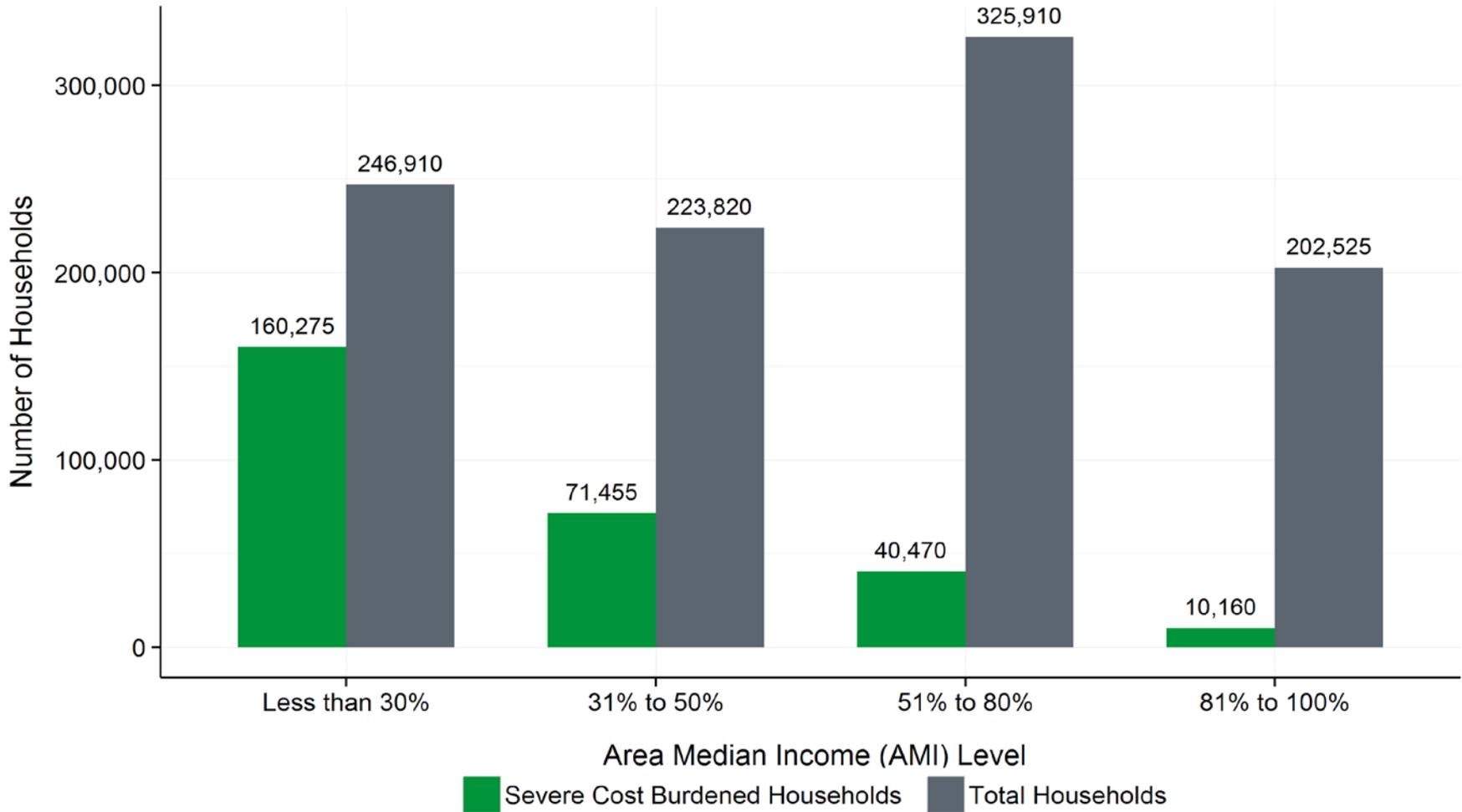
10. For FY 2014-15, did your department exercise a transfer between lines that is allowable under state statute? If yes, between which line items and programs did this transfer occur? What is the amount of each transfer by fund source between programs and/or line items? Do you

anticipate transfers between line items and programs for FY 2015-16? If yes, between which line items/programs and for how much (by fund source)?

*The Department did not exercise any transfers as described above in FY 2014-15. None are anticipated in FY 2015-16.*

# Colorado Severe Cost Burdened Households

Renter and Owner-occupied



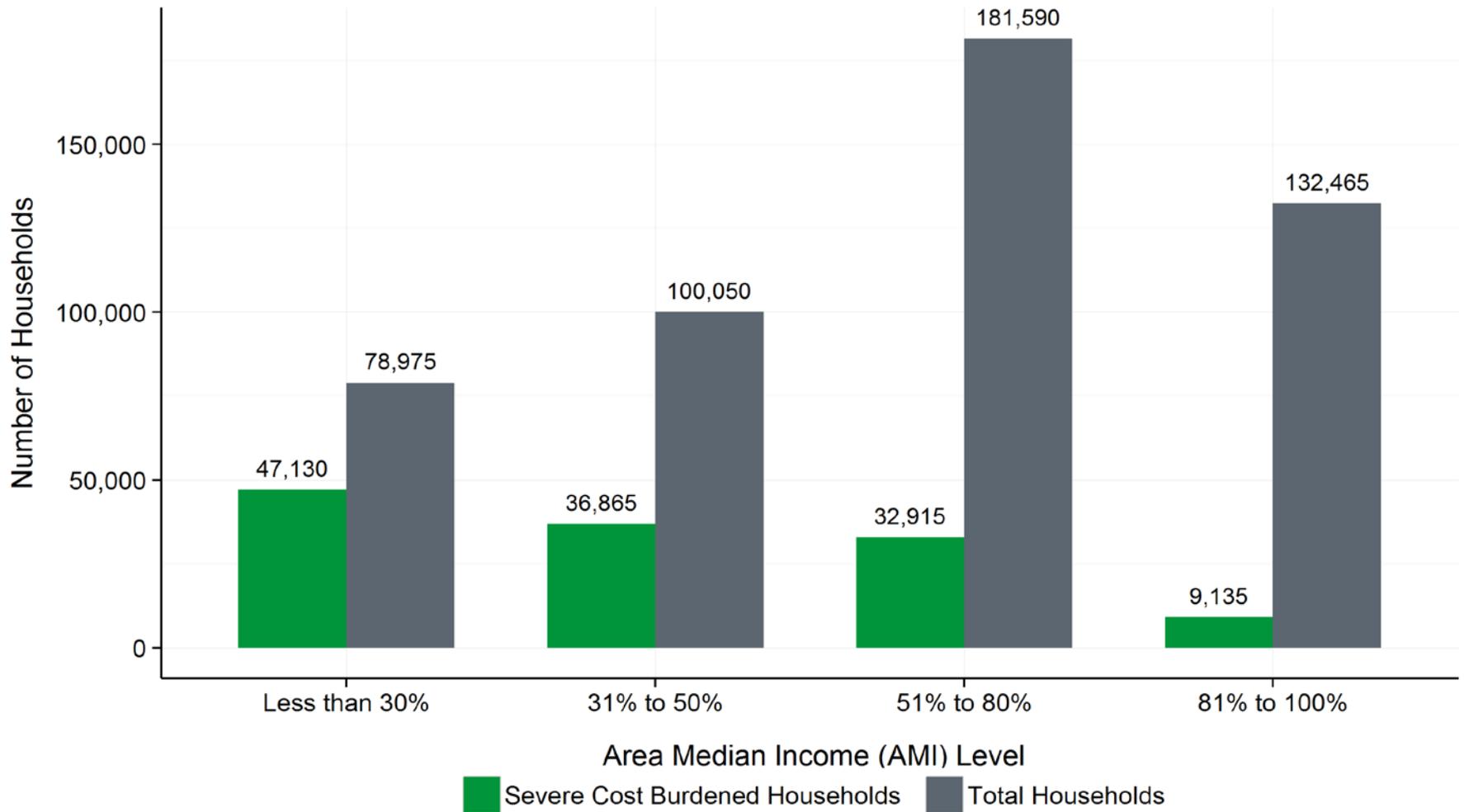
Note: Severe cost burdened households spend 50% of income or more on housing.

Source: HUD CHAS data, based on 2008-2012 ACS



# Colorado Severe Cost Burdened Households

Owner-occupied Housing Only

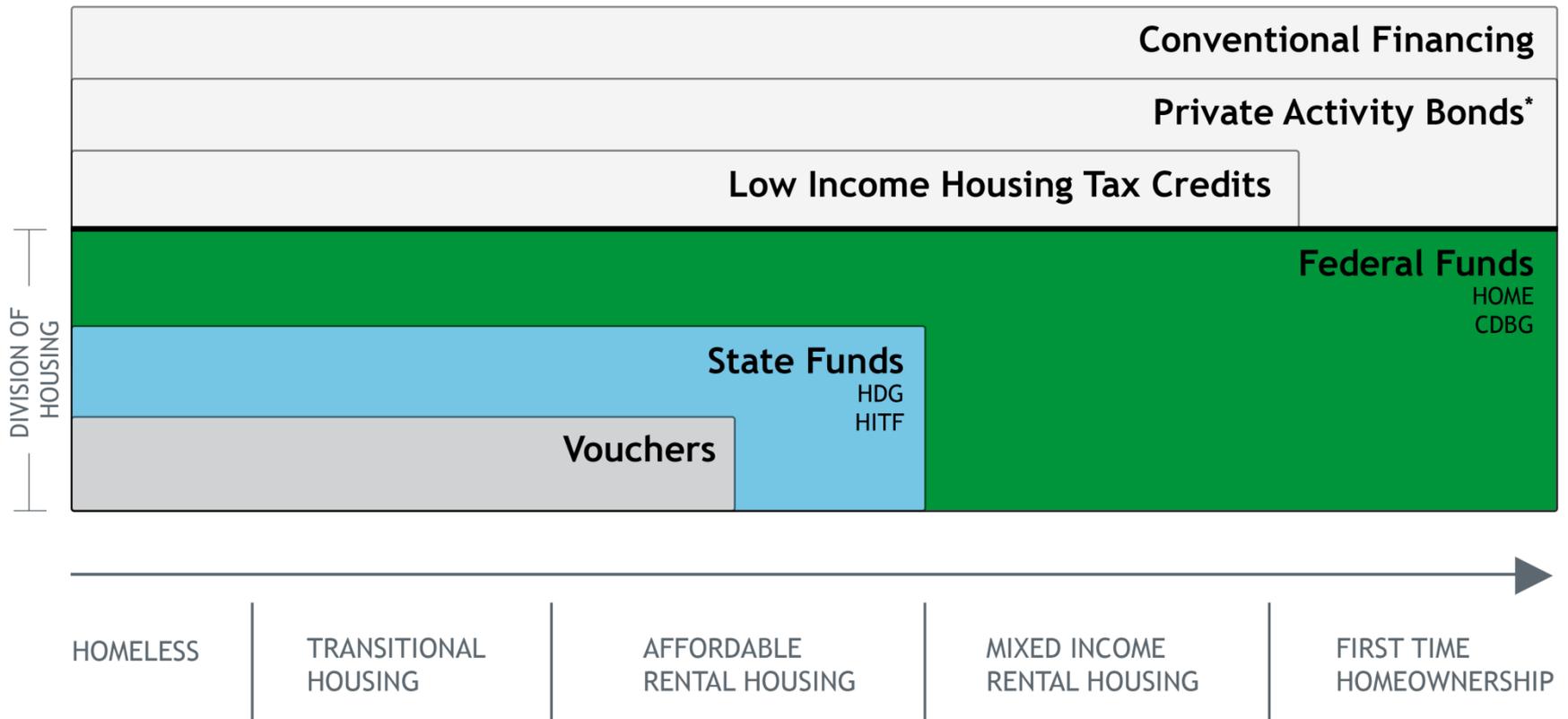


# Colorado Severe Cost Burdened Households

## Renters Only



# Funding sources along Colorado's Housing Development Continuum

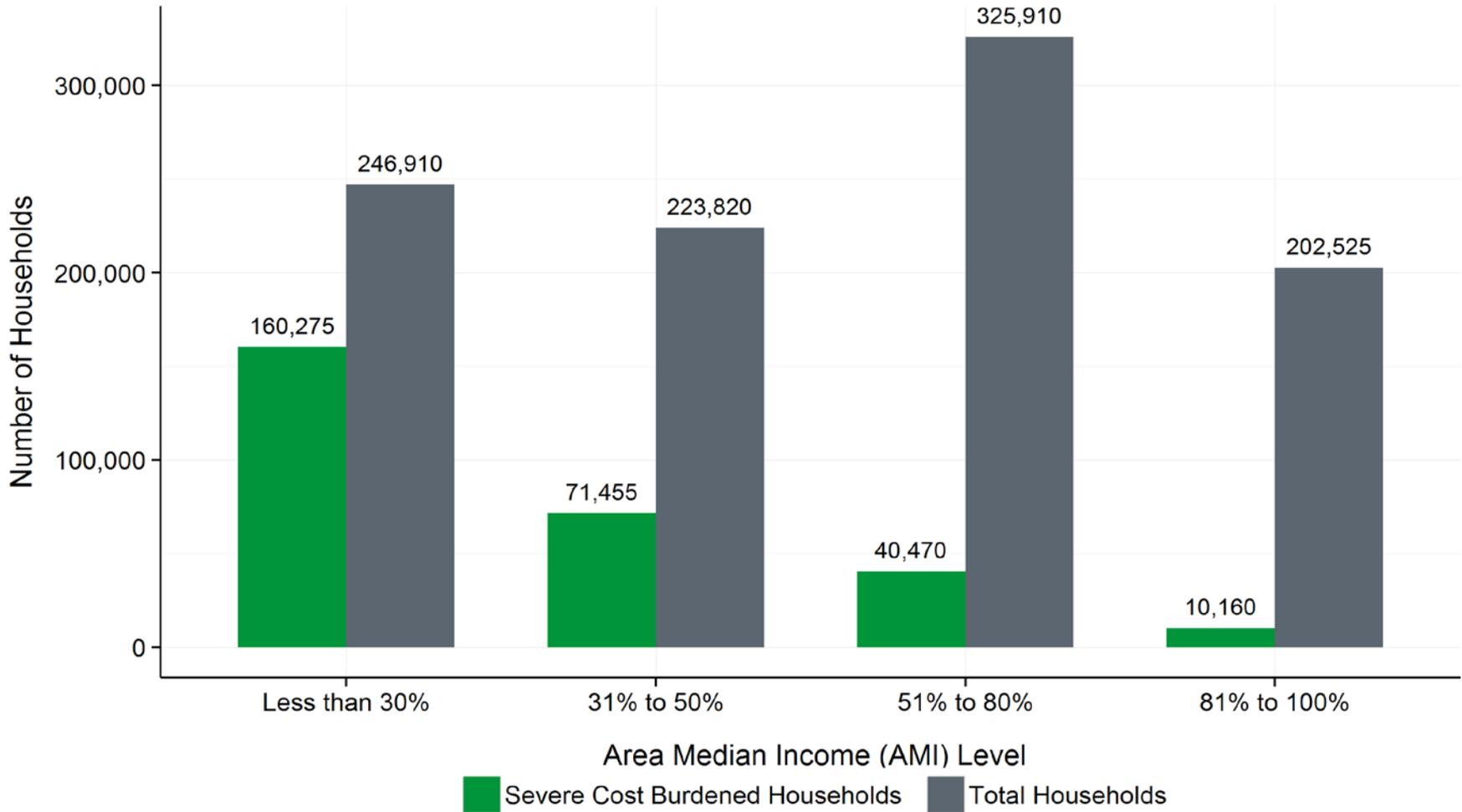


\*Division of Housing allocates Private Activity Bonds to local governments and statewide authorities.



# Colorado Severe Cost Burdened Households

Renter and Owner-occupied



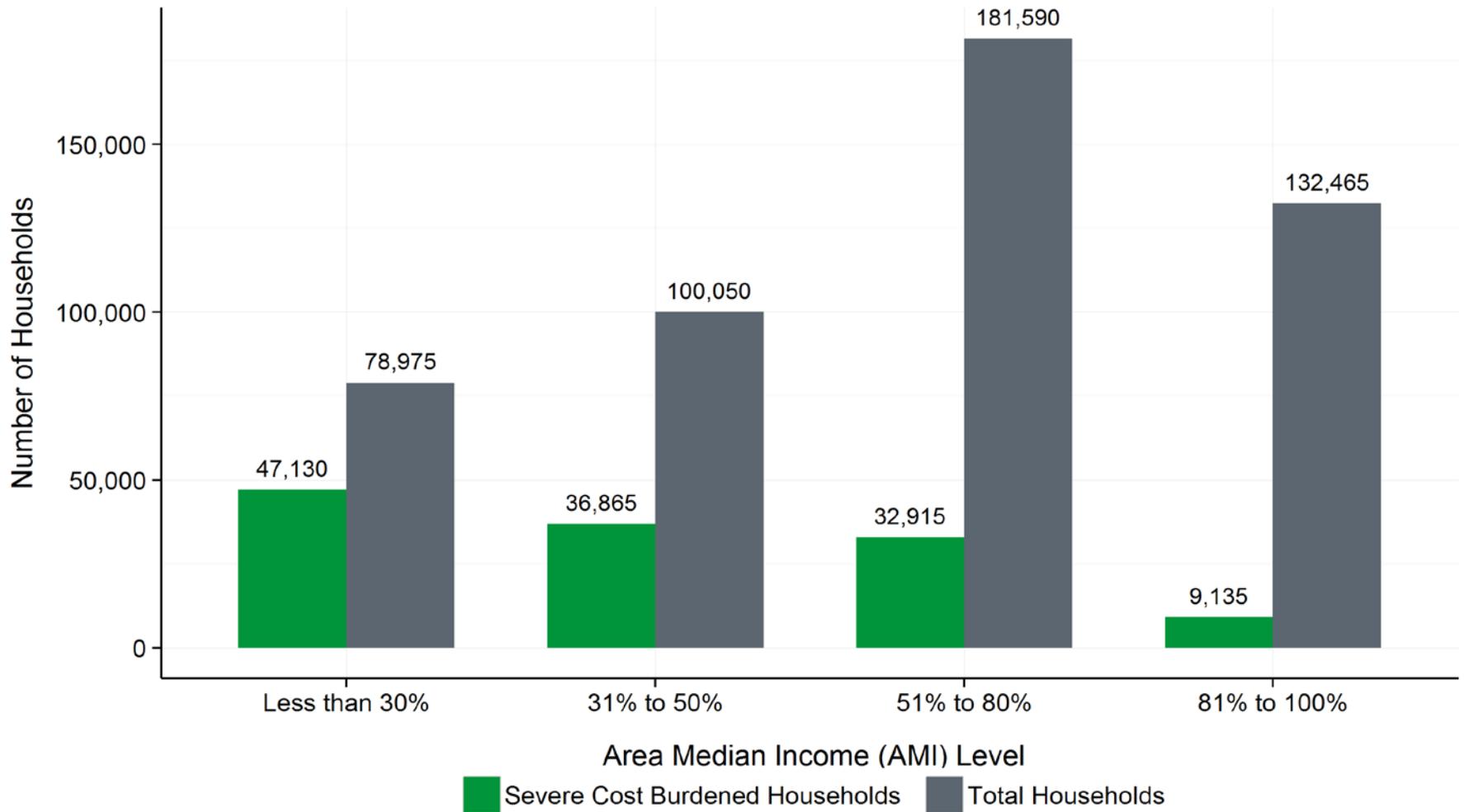
Note: Severe cost burdened households spend 50% of income or more on housing.

Source: HUD CHAS data, based on 2008-2012 ACS



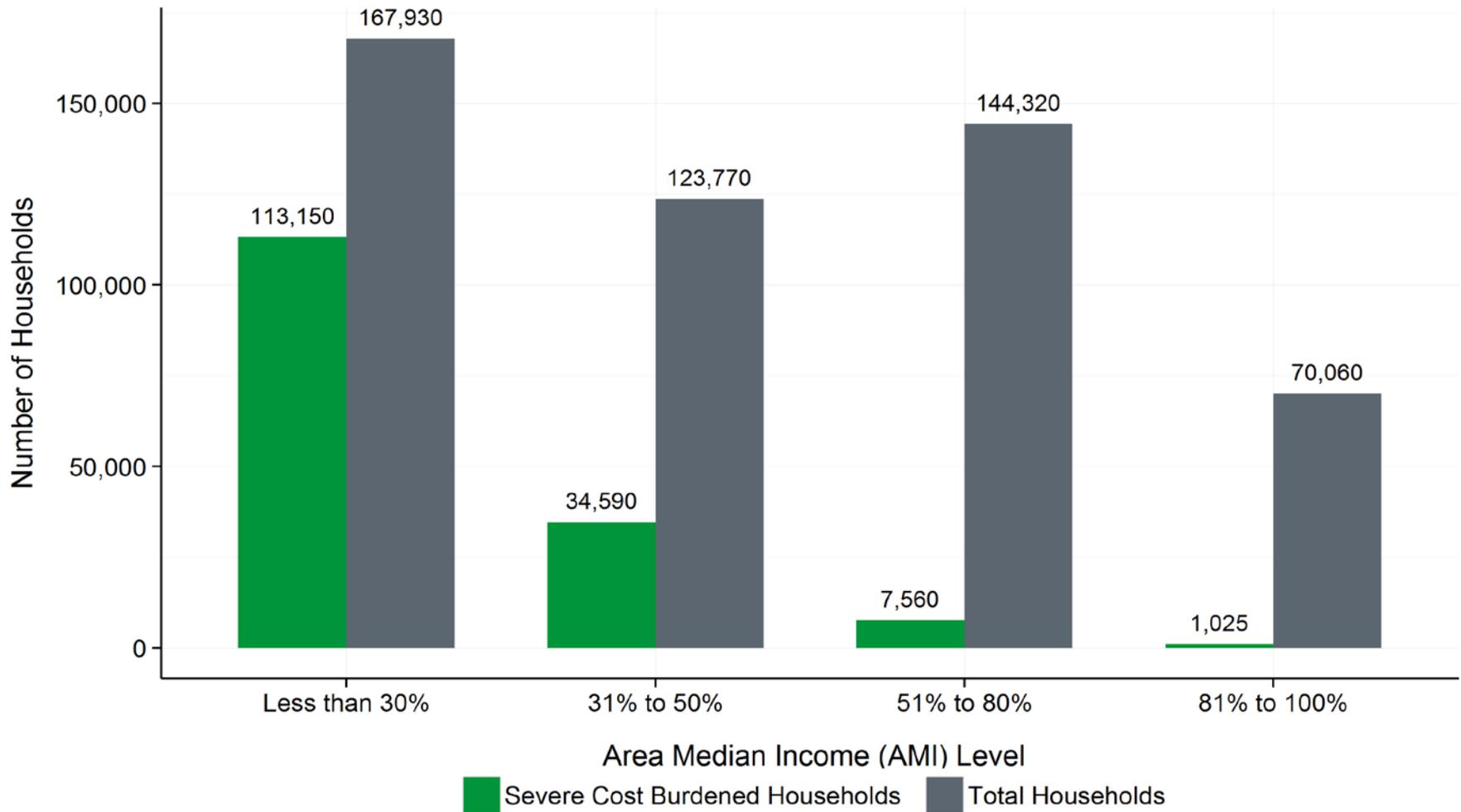
# Colorado Severe Cost Burdened Households

Owner-occupied Housing Only

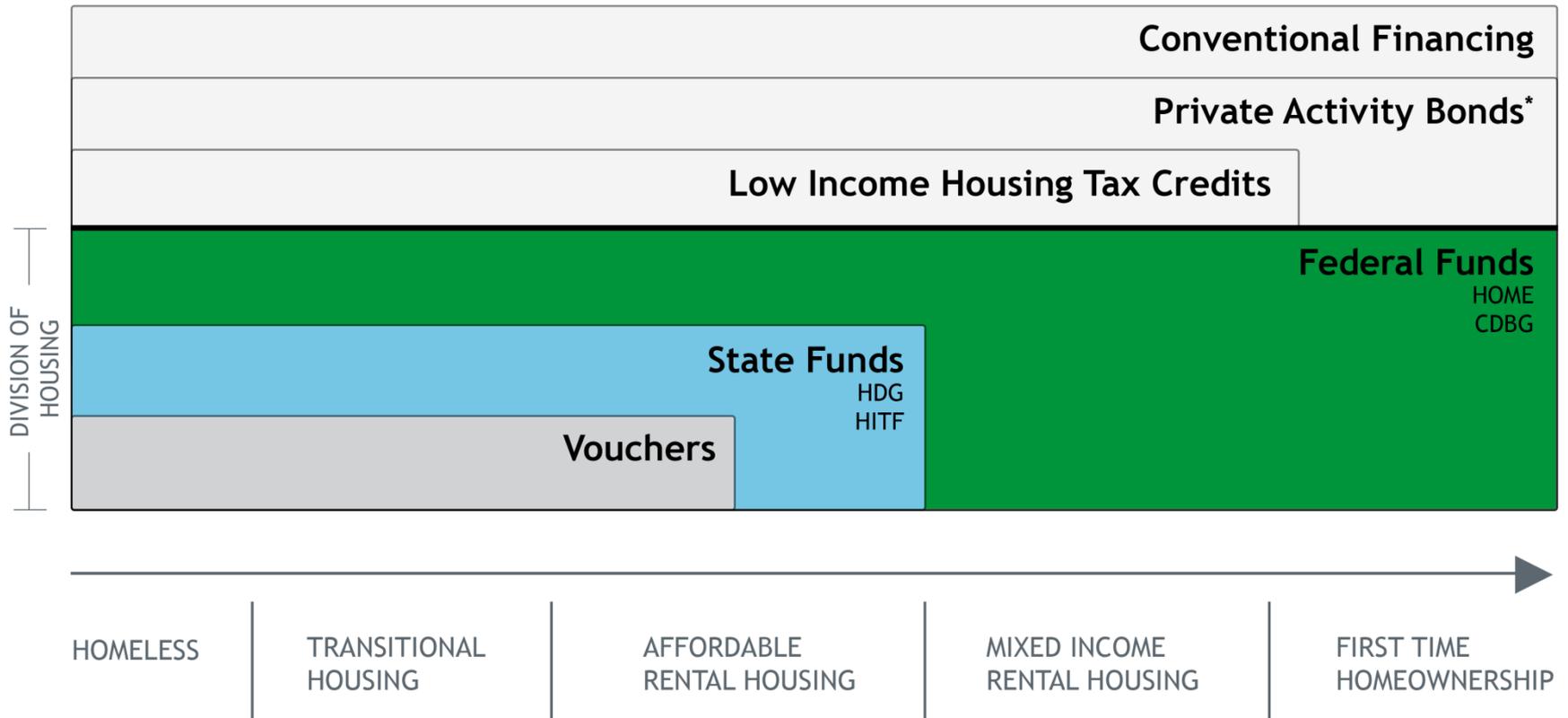


# Colorado Severe Cost Burdened Households

## Renters Only



# Funding sources along Colorado's Housing Development Continuum



\*Division of Housing allocates Private Activity Bonds to local governments and statewide authorities.



**DEPARTMENT OF LOCAL AFFAIRS  
FY 2016-17 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Thursday, December 3, 2015  
2:30 pm – 4:30 pm**

**2:30-2:50      INTRODUCTIONS AND OPENING COMMENTS**

**2:50-3:20      FORT LYON SUPPORTIVE RESIDENTIAL FACILITY**

*Note:* The Department of Local Affairs will coordinate and lead this presentation. Staff from the Department of Health Care Policy and Financing, the Colorado Coalition for the Homeless, and Bent County are requested to participate to address questions on which they may have more information or expertise.

*Institution for Mental Disease/Medicaid/Federal Review*

1. What are the financial implications if the federal authorities find that Fort Lyon is an institution for mental disease (IMD)? Provide an update on the status of the federal review.
2. Provide an update on the cost of Medicaid treatment for Fort Lyon residents that identifies the federal match rate for these clients.
3. How is mental health and substance abuse treatment provided at Fort Lyon? How does this differ from a state mental health institute? Do any of the treatments/services at Fort Lyon come under the auspice of the “final rule” for community based treatment? Does this place home and community-based (HCBS) or other Medicaid support for these clients at risk?
4. The Department has requested a bill to authorize use of Marijuana Tax Cash Funds (MTCF) for this program, despite statute that authorizes use of the MTCF for substance abuse treatment. If we were to access MTCF under the substance abuse treatment provision, does it strengthen the argument that Fort Lyon is an IMD?
5. If the program were found to be an IMD, would the State be required to fully cover residents’ medical costs or would that be something for which the individuals could be held responsible, even if they could not access Medicaid?

*Physical Plant*

6. Provide an update on how the costs for utilities have changed from when this was a correctional facility. Did the boilers ever get fixed?
7. What is the condition of the facility with regard to asbestos? How many buildings are impacted by asbestos? What is the status of the asbestos in the barn?

8. How much will it cost to fully abate the asbestos? Why do the costs for asbestos abatement keep changing? Why do you now believe the EPA will pick up the costs for asbestos abatement? What has changed to make the federal government decide that they are liable for this? What proof do you have that they will cover these costs?
9. What is the life cycle cost associated with this facility?
10. The Department identified a cost of \$19 million for controlled maintenance for the buildings on the facility that are 50 years old or older. Is this deferred maintenance? When will this need to be addressed? Does it include asbestos abatement?

*Defining and Measuring Success*

11. How are we defining success for the residents? What metrics are being used to measure the success?
12. When is enough data going to be enough data? Are the measures that are now in place the correct measures? If so, when will we have sufficient data to make a valid decision on this program? If not, when will the correct measures be in place?
13. How do we get to the point that we can measure the success? How long will it take to get enough results that are dependable for this program? What is the plan to get to the place where we can get to these measures?
14. If we pursue an independent examination of the program as compared to other like treatment programs, who can/should conduct this and what would be involved?
15. When the program was first presented, Harvest Farm was described as a good program comparison. What is Harvest Farm's definition of success? Why is the success rate at Fort Lyon so different from that at Harvest Farm? Is Harvest Farm a reasonable comparison? Do people at Harvest Farm have the same complexities as the population at Fort Lyon? How is the program different?

*Cost/Benefit of Program*

16. Provide a comprehensive analysis that shows what it costs to run this program compared to what it costs compared to other treatment programs. What is the opportunity cost of putting money into this program as compared to other programs?

17. Will the program ever get to serving 250 and why are we funding at 250 when only a maximum of 214 are now served? How do the costs change if we cannot reach 250?
18. What is the cost of *not* having this program? How would you calculate this?

*Program Entry and Transition*

19. Do people who go to Fort Lyon already have housing vouchers to which they are returning? What share of the population?
20. Are people who complete the program being provided housing vouchers? Are you able to find HUD-funded placements as people depart the program?

**3:20-3:40 AFFORDABLE HOUSING/FEDERAL RESOURCES**

*Note:* The Department of Local Affairs will coordinate and lead this presentation. However, staff from the Colorado Housing and Finance Authority (CHFA) are requested to attend if they can assist in addressing questions about overall housing resources across the state.

21. [*Background: the Department administers a variety of federal funds from the Department of Housing and Urban Development, as well as the Community Services Block Grant from the federal Department of Health and Human Services. However, far more funds are directly granted by federal authorities to local communities.*] Please identify the total funds received by the State, who administers these, and explain where funding that passes through the Department fits into this picture.
22. Please provide an update on how ALL federal moneys for housing (federal, state, and local) interact. How much does Colorado (federal, state, and local) receive in total from the federal government for all these grants that deal with housing? If this cannot be accomplished, please explain why. What are the mechanisms by which these moneys are transferred? Is it even possible to get our arms around all local housing initiatives? If not, how can we coordinate these efforts?
23. Explain why the Executive Branch has submitted a request for annualizing Colorado Choice Transitions housing assistance vouchers that is “conditional” based on sufficient General Fund if the Executive Branch believes that **not** funding the request will drive net state General Fund costs in HCPF.
24. Aren’t there other housing resources—particularly federal resources—that could be used to assist in providing housing for people transitioning out of institutions under the Colorado Choice Transitions program? Why is state funding the only voucher program that accomplishes this result?

Explain the Department's involvement with the home modification for Medicaid clients including clients on the Colorado Choice Transitions program.

**3:40-4:20 LOCAL GOVERNMENT SEVERANCE AND FEDERAL MINERAL LEASE FUNDING**

*Proposed Sweep to General Fund*

25. Please clarify the Executive request to transfer additional funds from the Local Government Severance Tax Fund to the General Fund this year. Is the Executive requesting that the JBC carry this bill? What is the impact of this proposal in the Department of Local Affairs? Is it appropriate to take these moneys in FY 2015-16, when severance tax revenue is declining?

*Energy Impact Grant Funding*

26. [Background: JBC staff's analysis indicated that there was not a statistically-significant relationship between FY 2015-16 energy impact scores and energy impact grants awarded by county from FY 2008-09 to FY 2014-15.] Why are federal mineral lease and local government severance taxes being directed to areas that are not energy impacted? Isn't this an inequity and contrary to federal law? What steps will the department take to remedy the situation of having moneys go to areas that are not energy impacted?

27. How can you get an energy impact score of 3 when there is no energy impact in the county?

28. Why do we allocate energy impact funds via grants at all? Why don't we do this via formula and eliminate the need for a grants process?

*Energy Impact Funds – Local Affairs Broadband Initiative Grant Program*

[Background: In 2014, HB14-1328 was passed and signed by the Governor creating the Broadband Deployment Board for the purpose of broadband deployment in unserved areas of the state. The board was selected on the basis of their knowledge of and interest in broadband service. The composition of the board includes representatives of local entities, the broadband industry and members of the public which represent unserved areas of the western slope, eastern plains and urban areas.

Specifically, the board was to focus on funding projects that would serve those areas of the state which are currently unserved. The statute goes on to outline how six months prior to accepting any applications the board is to work with local incumbent providers and local entities about the broadband fund and its purpose to deploy broadband service in the unserved areas. The board shall ensure that both the manner and amount of notice provided are adequate and equitable for all potentially eligible applicants.

Although the Department of Local Affairs is not legally obligated under this particular statute, the broadband fund and board were specifically set up to make sure scarce dollars are not wasted and actually go towards providing broadband to those areas of the state that are truly unserved. ]

29. Are broadband grants specifically authorized under the Energy and Mineral Impact Assistance Fund? If so, please provide that authorization. If not, please justify the rationale for using EMIAF funds for this purpose.
30. What are the criteria used to award broadband grants? Are you prioritizing unserved areas of the state with your grant program? What is your definition of unserved? Have you connected any unserved areas to date? If yes, where and is the local incumbent provider part of that partnership? If not, why not? Where did DOLA get their definition of middle mile? Why does it include Community Anchor Institutions (CAI)? Isn't that service considered commercial service normally supplied by private providers? If not, why not?
31. How are you ensuring that local entities applying for grants are adequately including the local incumbent provider at the front end and providing them with adequate notice? Are those local incumbent providers given first right of refusal to partner with the local entity/ies? If not, why not? Will you deny an application if the local incumbent provider can show they were not included in initial discussions and were not given an opportunity to partner with the local entity? If not, why not?
32. Are you funding projects that will directly compete with the local incumbent provider for the community anchor tenants for which they need to sustain existing broadband service? What happens if the local provider can no longer economically justify continuing to provide broadband service to a community receiving a DOLA grant? Does DOLA have a contingency plan to serve those customers?
33. When and where is the agenda of the DOLA grant hearings published for public notice? If a local incumbent provider does not receive notice of a potential DOLA grant or is excluded from participating in a DOLA grant application, how do they voice opposition or concern to the granting board? Is there a formal process to appeal/protest the approval of the grant application? If not, should there be a separate process established for broadband grants since they are very different from other impact grants (sewer, water, roads and government buildings)? Should this separate process include at least sixty days-notice from DOLA to the local provider including a detailed explanation of a written comment period, specific public comment period for broadband grants and written explanation by the Board of why they approved or denied the grant? Has any project ever been denied because an incumbent provider objected? If not, why not?
34. Who are your network experts making the granting decisions and what is that experience with broadband networks? If there is no broadband network experience how are you determining if a project is feasible?

35. To expand more on my previous question, as I mentioned the Broadband Deployment Board earlier, which was set up specifically for their expertise, are you working with them and taking advantage of that expertise and if not, why not? Would the broadband board be better equipped to make these decisions? If not, why not?
36. Referring back to the broadband deployment statute, it specifically states that in order to minimize conflicts with, or duplication of, federal sources of high cost support or federal broadband grants so as to maximize the total available state and federal support for rural broadband development. The federal Connect America Fund (CAF) was set up specifically to provide all unserved rural Americans with broadband. We are now entering the second phase of that program and I know that CO incumbent providers have and will be receiving funds to provide broadband to rural CO. Have any of your grants been given to communities where the incumbent provider is already receiving federal high cost or CAF money? Do you find this duplicative and a waste of resources that could go to other unserved areas that may need it? If you don't think so, why not?
37. How much money in the grant process has been allocated to consultants and not infrastructure? What type of consultants are they? Are the contracts of those consultants based on successful completion of the project? Are the consultants the best allocation of resources? If the local entity were working directly with the local incumbent provider, would a consultant be necessary?
38. How do you measure success of a project? It is my understanding that the applicant must show they either have some tax payer funding or small private contribution to put towards the project on their own, but the local entity or small private contributor are getting much more back in tax payer grant money than they ever put in, do you have any accountability requirements for a particular project? If so, what are they? What happens if the project fails?

**4:20-4:30      OTHER**

39. Please provide an update on the status of the new Marijuana Tax Cash Fund local government grant program authorized in the department in FY 2015-16. What steps are you taking to implement the program? Will you be able to fully use available funds this year? Please describe any administrative, legal or financial issues you are working to address.
40. Please provide an update on Conservation Trust Fund distributions and uses of the Conservation Trust Fund, in light of the recommendation from the JBC analyst for capital construction that the JBC should refer a measure to the citizens to redirect lottery funds to support higher education capital construction.

41. Provide an update on your efforts to address issues raised in the audit of the Local Government Limited Gaming Impact Grant Program. Wouldn't it be more efficient to administer this program via formula and eliminate the need for a grants process?

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED**

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list.
2. Please provide a detailed description of all program hotlines administered by the Department, including:
  - a. The purpose of the hotline;
  - b. Number of FTE allocated to the hotline;
  - c. The line item through which the hotline is funded; and
  - d. All outcome data used to determine the effectiveness of the hotline.
3. Describe the Department's experience with the implementation of the new CORE accounting system.
  - a. How has the implementation improved business processes in the Department?
  - b. What challenges has the Department experienced since implementation and how have they been resolved (i.e. training, processes, reports, payroll)?
  - c. What impact have these challenges had on the Department's access to funding streams?
  - d. How has the implementation of CORE affected staff workload?
  - e. Do you anticipate that CORE implementation will result in the need for a permanent increase in staff? If so, indicate whether the Department is requesting additional funding for FY 2016-17 to address it.
4. If the Department receives federal funds of any type, please provide a detailed description of any federal sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2015-16.
5. Does the Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office and dated October 2015 (link below)? What is the department doing to resolve the outstanding high priority recommendations?  
  
[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/4735187E6B48EDF087257ED0007FE8CA/\\$FILE/1542S%20Annual%20Report.%20Status%20of%20Outstanding%20Audit%20Recommendations.%20As%20of%20June%2030,%202015.%20Informational%20Report.%20October%202015.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/4735187E6B48EDF087257ED0007FE8CA/$FILE/1542S%20Annual%20Report.%20Status%20of%20Outstanding%20Audit%20Recommendations.%20As%20of%20June%2030,%202015.%20Informational%20Report.%20October%202015.pdf)
6. Is the department spending money on public awareness campaigns related to marijuana? How is the department working with other state departments to coordinate the campaigns?
7. Based on the Department's most recent available record, what is the FTE vacancy rate by department and by division? What is the date of the report?

8. For FY 2014-15, do any line items in your Department have reversions? If so, which line items, which programs within each line item, and for what amounts (by fund source)? What are the reasons for each reversion? Do you anticipate any reversions in FY 2015-16? If yes, in which programs and line items do you anticipate this reversions occurring? How much and in which fund sources do you anticipate the reversion being?
9. Are you expecting an increase in federal funding with the passage of the FFY 2015-16 federal budget? If yes, in which programs and what is the match requirement for each of the programs?
10. For FY 2014-15, did your department exercise a transfer between lines that is allowable under state statute? If yes, between which line items and programs did this transfer occur? What is the amount of each transfer by fund source between programs and/or line items? Do you anticipate transfers between line items and programs for FY 2015-16? If yes, between which line items/programs and for how much (by fund source)?

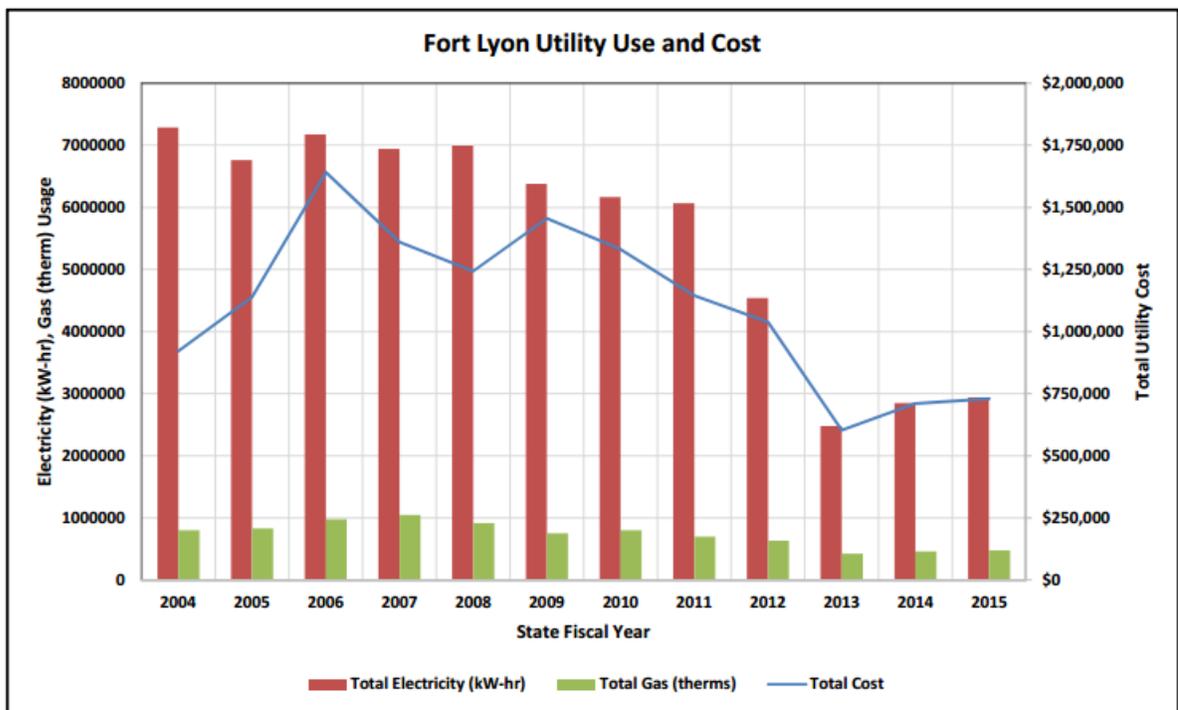
# Responses to Follow-up Questions from Department of Local Affairs Hearing

## Fort Lyon

### 1. Provide the quarterly report data on the facility and the facilities report.

**Program Reports:** Annual reports for the first and second year of operations at Fort Lyon are attached. The annual reports were completed by CCH and cover the two programmatic years of the Ft. Lyon program, specifically September 2013 through August 2014 and September 2014 through August 2015. The Department believes these annual reports summarize the related quarterly reports, but will send along any previous quarterly reports the Committee members want. The Department will distribute quarterly reports going forward. The next report will be sent out in January 2016 for the quarter ending December 2015.

**Facility Reports:** The following are the facility reports for utilities. The actual budget and expenses, which include all other facility costs, are detailed in Question 3.



As the above graph demonstrates, the total cost of both natural gas and electricity at Fort Lyon were highest in FY 2005-06. Since that time, the cost of utilities was lowest in FY 2012-13 when the facility and its many buildings sat empty. While costs have increased slightly in FY 2013-14 and FY 2014-15, they are well under half of the peak usage and cost from FY 2005-06.

Fiscal Year	Total Cost	Electricity Cost	Total Electricity (kW-hr)	Cost per kW-hr	Gas Cost	Total Gas (therms)	Cost per Therm	Operator
2003-04	\$920,860	\$487,913	7,287,720	\$0.07	\$432,947	801,549	\$0.54	CDOC
2004-05	\$1,138,438	\$539,821	6,761,731	\$0.08	\$598,617	830,530	\$0.72	CDOC
2005-06	\$1,641,077	\$619,837	7,175,596	\$0.09	\$1,021,239	976,719	\$1.05	CDOC
2006-07	\$1,359,772	\$604,789	6,941,879	\$0.09	\$754,984	1,046,739	\$0.72	CDOC
2007-08	\$1,242,689	\$659,863	6,996,662	\$0.09	\$582,826	917,624	\$0.64	CDOC
2008-09	\$1,455,034	\$704,733	6,378,969	\$0.11	\$750,301	750,025	\$1.00	CDOC
2009-10	\$1,331,644	\$711,457	6,168,003	\$0.12	\$620,187	802,650	\$0.77	CDOC
2010-11	\$1,144,316	\$775,304	6,069,541	\$0.13	\$369,013	698,615	\$0.53	CDOC
2011-12	\$1,037,268	\$648,500	4,540,335	\$0.14	\$388,768	631,224	\$0.62	CDOC
2012-13	\$603,291	\$344,108	2,481,383	\$0.14	\$259,183	422,668	\$0.61	Vacant*
2013-14	\$710,216	\$413,553	2,851,444	\$0.15	\$296,662	461,288	\$0.64	Bent County
2014-15	\$730,295	\$434,856	2,940,563	\$0.15	\$295,439	477,790	\$0.62	Bent County

\*Last inmate left March 2012. Bent County assumed operations management July 2013.

The above chart summarizes costs for both electricity and natural gas at Fort Lyon from FY 2003-04 through FY 2014-15. While total expenses for utilities have significantly decreased, the biggest savings have been realized in natural gas consumption, which has been reduced by approximately 70 percent during the last two fiscal years.

**2. Provide full costs related to asbestos abatement for the facility.**

At this time, there have been no comprehensive studies by any state agency in Colorado to assess the full cost of asbestos abatement at the Fort Lyon campus. However, a targeted Brownfields assessment was recently funded by the United States Environmental Protection Agency (EPA) for the Fort Lyon campus. The EPA Brownfields study will provide the Department with projected costs of demolishing and abating structures at Fort Lyon based on its expected usage of the structures for the supportive residential community. The Department anticipates receiving a report containing asbestos abatement costs and detail for the buildings proposed for reuse or demolition by the end of December 2015, and the Department is pursuing grant funding from the EPA for buildings and structures that are recommended for reuse.

Neither CDPHE nor EPA recommends a complete removal of asbestos, but rather that asbestos be managed in place when practical. Both the Colorado Department of Corrections (CDOC) and the Department have managed asbestos abatement at Fort Lyon on a structure-by-structure basis as relates to each agency's anticipated occupation of the buildings on the campus.

Please see the attached letter from the Colorado Department of Public Health and Environment (CDPHE), provided in 2010 to the CDOC, addressing the asbestos abatement needs at the Fort Lyon campus. It summarizes CDPHE's recommended approach for assessing and performing abatement activities, which essentially focuses these efforts on buildings that are occupied or anticipated to be used in the future. Further, the letter recommends abating friable asbestos and managing non-friable asbestos in place with an Operations and Maintenance (O&M) plan to ensure dangerous conditions are not created from normal wear and tear on the property. Such an O&M plan was created for the Fort Lyon campus in 2009 and is

currently being utilized by the Department of Local Affairs and Bent County. These recommendations are standard practices concerning both residential and commercial buildings.

Fort Lyon has over 100 structures. These structures range from residential homes to a swimming pool. The following two reports are meant to summarize the status of the entire campus.

- 1) **Preservation Master Plan.** The State Historic Fund awarded Bent County a grant of \$105,000 to complete a Preservation Master Plan. Accordingly, Bent County contributed \$35,000 towards the costs of the plan. The Preservation plan is assessing the likely usefulness of the buildings on the campus. The Preservation plan is expected to be complete by early summer 2016. The Preservation plan categorizes the buildings three ways: buildings currently in use, buildings likely to be renovated and buildings likely to be demolished.
- 2) **EPA Brownfields Asbestos Report.** The final report for Phase 1 will be completed by the end of December 2015. The current asbestos report is focused on the buildings assessment through the Preservation plan. A second EPA Brownfields Asbestos report will be completed for buildings proposed for demolition once the Preservation plan is completed and the buildings are approved for demolition.
  - There are approximately 35 buildings currently in use: All buildings that are occupied have been abated of known friable asbestos and are in good working condition to serve the Fort Lyon supportive community.
  - There are 11 buildings proposed for future use and included in the proposed abatement through the EPA.
  - There are approximately 15 buildings being considered for demolition and have had a recent asbestos assessment through the current EPA Brownfields Grant. Abatement will take place utilizing EPA Brownfields funding available in the next grant application cycle.
  - Two buildings have been abated of both friable and non-friable asbestos. These buildings are not in use and are not habitable at this time.
  - The remaining buildings include non-residential and non-office spaces like the swimming pool, armory, garage, boiler out-building, gazebo, water tower, green house, etc.

**3. In general, be more detailed and specific about the overall budget and sources of funding. To the extent Bent County is covering some of the cost, how much?**

The table below illustrates actual state expenditures in FY 2013-14 and FY 2014-15 and projected state expenditures for the next three fiscal years through FY 2017-18, as well as other funding sources for the Fort Lyon Supportive Residential Community (FLSRC).

<b>Actual and Projected State Expenditures for Fort Lyon Supportive Residential Community</b>					
	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Budget</b>	<b>FY 2016-17 Budget</b>	<b>FY 2017-18 Budget</b>
<b>Colorado Coalition for the Homeless (CCH)</b>					
Wage & Fringe	\$1,089,706	\$1,849,340	\$1,843,229	\$1,843,229	\$1,843,229
Travel	\$18,023	\$47,842	\$6,648	\$6,648	\$6,648
Equipment	\$84,445	\$50,063	\$7,977	\$7,977	\$7,977
Maint & Ops	\$658,532	\$779,926	\$540,698	\$540,698	\$540,698
Indirect Costs	\$105,638	\$204,073	\$188,181	\$188,181	\$188,181
<b>TOTAL - CCH</b>	<b>\$1,956,344</b>	<b>\$2,931,244</b>	<b>\$2,586,733</b>	<b>\$2,586,733</b>	<b>\$2,586,733</b>
<b>Bent County (Maintenance &amp; Operations)</b>					
Wage & Fringe	\$542,197	\$835,295	\$675,000	\$750,155	\$750,155
Travel	\$318	\$0	\$1,350	\$2,520	\$2,520
Equipment	\$60,377	\$11,931	\$31,500	\$0	\$0
Supplies	\$272	\$2,368	\$2,700	\$0	\$0
Vehicles	\$12,887	\$0	\$1,170	\$0	\$0
Maint & Ops	\$550,589	\$390,273	\$436,547	\$470,747	\$470,747
Security	\$5,700	\$0	\$0	\$0	\$0
Utilities	\$648,551	\$728,406	\$765,000	\$765,000	\$765,000
Energy Improvements	\$0	\$0	\$0	\$122,090	\$122,090
<b>TOTAL - Bent County</b>	<b>\$1,820,890</b>	<b>\$1,968,273</b>	<b>\$1,913,267</b>	<b>\$2,110,512</b>	<b>\$2,110,512</b>
<b>Other Fort Lyon Expenditures</b>					
Colorado DOC	\$135,750	n/a	n/a	n/a	n/a
Referral Networks	\$110,409	\$116,043	\$10,000	\$0	\$0
Energy Audit	\$0	\$103,858	\$0	\$0	\$0
Remaining Contract Authority (Bent Co.)	\$0	\$0	\$294,587	\$0	\$0
DOLA Program Oversight (1.0 FTE)	\$39,188	\$98,234	\$101,268	\$101,268	\$101,268
Program Contingency	\$0	\$0	\$50,465	\$191,124	\$191,124
<b>DPA Emergency Funds</b>					
Elevator Repair	\$0	\$93,096	\$0	\$0	\$0
Fire Smoke Detection and Alarm System	\$0	\$6,835	\$0	\$0	\$0
Water Treatment System	\$0	\$0	\$40,037	\$0	\$0
Bent County Expenditures	\$112,974	\$94,406	\$25,789*	n/a	n/a
<b>Subtotal - Other Expenditures</b>	<b>\$398,321</b>	<b>\$512,472</b>	<b>\$522,146</b>	<b>\$292,392</b>	<b>\$292,392</b>
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$4,175,555</b>	<b>\$5,411,989</b>	<b>\$5,022,146</b>	<b>\$4,989,637</b>	<b>\$4,989,637</b>
<b>FUNDING SOURCES BREAKDOWN</b>					
DPA Emergency Funds	\$0	\$99,931	\$40,037	\$0	\$0
General Fund	\$2,788,851	\$3,223,851	\$3,223,851	\$3,223,851	\$3,223,851
Mortgage Settlement Funds	\$1,273,730	\$1,993,801	\$1,732,469	\$0	\$0
Proposed Decision Item Request (MTCF)	\$0	\$0	\$0	\$1,765,786	\$1,765,786
Bent County Expenditures	\$112,974	\$94,406	\$25,789	\$0	\$0
<b>TOTAL FUNDS</b>	<b>\$4,175,555</b>	<b>\$5,411,989</b>	<b>\$5,022,146</b>	<b>\$4,989,637</b>	<b>\$4,989,637</b>

\*This figure reflects actual spending by Bent County between July and November 2015, whereas the remainder of the numbers in this column reflect estimated spending.

*Utilities figures for FY 2013-14 and FY 2014-15 will not correspond to the figures shown in the table at the top of page 2 due to timing differences between billings and when payments are booked.*

**Actual and Projected Bent County General Fund Expenditures**

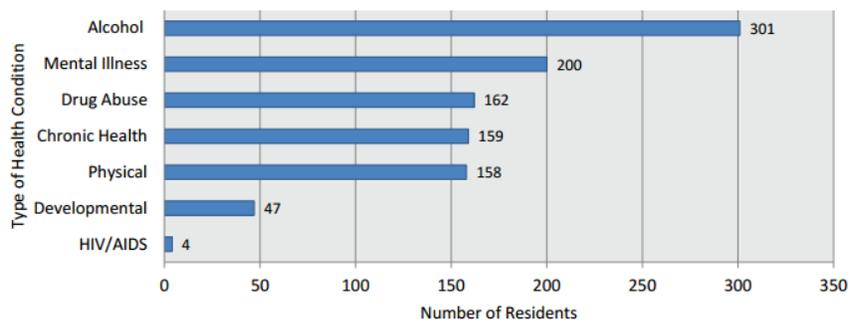
*Bent County has committed both general fund dollars and in-kind gifts and services to the Fort Lyon Supportive Residential Community. Between July 2013 and November 2015, Bent County expended \$102,249 in salaries and benefits for transportation and other related services and another \$130,920 for associated costs such as fuel, automotive repairs, and the purchase of a vehicle in support of local transportation for residents. Bent County also donated \$10,000 worth of in-kind gifts and services including a Caterpillar backhoe, a Kubota loader/mower, a Grasshopper mower, and a Chrysler minivan. Additionally, Bent County has allocated up to \$500,000 for future boiler replacement.*

**4. If this is the hardest to serve population from a clinical perspective, how many residents need what kinds of services? What are they receiving? What’s the success/outcomes rate?**

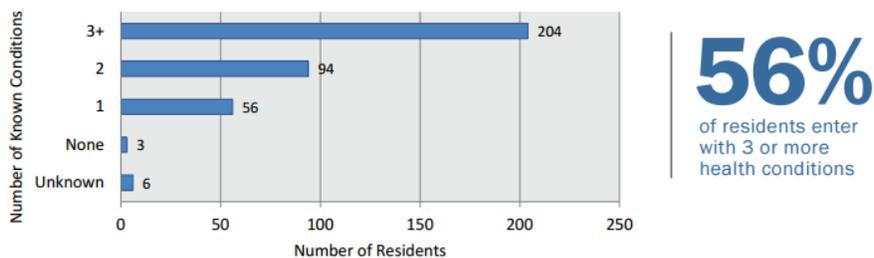
*Of residents entering Fort Lyon, 91 percent have lived on the street for 12 months or more, and 56 percent of residents have three or more disabling conditions upon entering Fort Lyon. The following chart illustrates known conditions at entry and the number of residents with multiple known conditions at entry.<sup>1</sup>*

**Figure 4.1: Fort Lyon Residents Conditions at Entry**

Known Conditions at Entry



Number of Known Conditions at Entry



*Figure 4.2 includes the types of clinical and medical services that Fort Lyon residents receive. It is important to note that 191 residents (53 percent) received their services from the Colorado Coalition for the Homeless Federally Qualified Health Clinic (FQHC) while 148 residents (41 percent) receive their services from other FQHCs.*

<sup>1</sup> Fort Lyon Supportive Residential Community Annual Report: Sept 2014-Aug 2015

<b>Figure 4.2: Fort Lyon Residents Service/Medicaid Claim<sup>2</sup></b>
Capitation
Pharmacy
Inpatient
Outpatient
Nursing facility
Home health
Dental
Practitioner/Physician
Transportation
Laboratory
Medical Supply
Medicare parts a, b

*However, what distinguishes Fort Lyon from other programs is not necessarily the types of services, but rather that the service delivery occurs in a peer-supported residential community that is geographically removed from the communities where they have previously abused substances. This makes Fort Lyon a good fit for a homeless population for whom traditional services have not been successful in meeting their needs or accessing traditional services. It allows Fort Lyon to focus on transitioning residents to stable housing and other goals, such as sobriety, employment, education and family reunification.*

*All residents in Fort Lyon are struggling with substance use. It is the expectation that while residing in Fort Lyon that they are to abstain from the use of drugs and alcohol. CCH staff monitor sobriety by providing random breath and urine analysis. The average monthly retention rate of 93 percent reflects an environment where most residents are meeting their substance use goals while enrolled.*

*Although Fort Lyon is not a clinical program, residents have direct access to comprehensive primary and behavioral health treatment services through our local collaborative partners including medication assisted treatment, mental health therapy, specialty medical care, optical and dental. In addition, Fort Lyon offers a wide array of services on site, such as case management (100 percent of residents), job training (60 percent of residents), access to educational resources (29 percent of residents participating in higher education and 8 percent in GED preparation), and peer-led supportive groups.*

*Housing placements are also measured, with permanent housing placements as the aim for everyone. As of the end of November 2015, 207 individuals had secured housing upon exiting Fort Lyon, including 116 to permanent housing. Long-term outcomes after the program are difficult to capture, but CCH has invested resources in developing a systematic approach to post-program data collection and hopes to have long-term outcomes to report at the end of the 2016 state fiscal year.*

**5. Provide more detail on what kinds of goals clients are setting and meeting (or not) if this is part of how you measure success.**

*In addition to sobriety, Fort Lyon has the expectation that when residents first arrive, their goals and objectives for their first 30 days will include:*

- 1. Attend New Beginnings Group, which focuses on substance use education.*
- 2. Attend at least one support or education group a week, such as AA (Alcoholics Anonymous), NA (Narcotics Anonymous), and Grief & Loss.*
- 3. Attend three community meetings weekly.*
- 4. Attend housing floor meeting once a week.*
- 5. Initiate a vocational and/or educational goal.*
- 6. Develop an individualized Goals and Objectives Plan (GO Plan) in conjunction with case manager. See below for additional information on typical GO Plan goals.*

<sup>2</sup> August 2015 HCPF Report on Whether Fort Lyon Supportive Residential Community Meets the Definition of an Institute for Mental Diseases

*After the initial 30 days are complete, residents participate in their recovery and goal planning process in conjunction with their case manager. This process is continuously documented through the Goals and Objectives Plan (GO Plan). Typical GO Plans include at least one long-term overall goal, such as:*

- 1. Maintaining sobriety.*
- 2. Obtaining permanent housing.*
- 3. Improving physical and mental health.*
- 4. Obtaining work and/or education.*

*Residents are encouraged to include at least one goal addressing their vocational and/or educational pursuits. Individuals then identify goals for their stay in the program that require measurable objectives towards the long-term goals, including participation rates as described in the response to Question 4.*

**6. Meeting self-identified goals seems unsatisfactory. What better metrics are you using? Might you use?**

*Enabling residents to identify and choose their goals, with guidance from case managers, increases participants' adherence to the program and the likelihood of achieving long-term goals. In addition to self-identified goals, measures of success include: housing, employment, education, mental health and quality of life. Mental health, specifically depression and anxiety, and quality of life are indicators for likelihood of attaining sobriety.*

***Housing placement:*** *Of the total exits during the past program year, 95 residents (59 percent) exited to either permanent or transitional housing. Of the residents who stayed for at least 90 days, 63 percent exited to permanent or transitional housing. For participants exiting to permanent housing destinations, 67 percent were in the program longer than 6 months.*

***Employment:*** *43 residents (12 percent) obtained employment during their stay at Fort Lyon.*

***Education:*** *103 residents (28 percent) were enrolled in educational programs.*

***Quality of Life:*** *Improvements in quality of life and mental health are indicators towards attaining long term stability. Measures for depression and anxiety decreased by 55 percent; while quality of life measures increased by 45 percent.*

*The Department agrees additional metrics would enhance the assessment of the program's efficiency, specifically the program costs and benefits, the resulting State cost savings, and program outcomes. Program outcomes would include: type of housing placement upon exit, improved health, and service utilization. The specific utilization would include: medical care, mental health treatment, substance abuse treatment, homeless services, housing stability, and criminal justice involvement. The impact of various program components and participant variables such as length of stay, as well as substance abuse and mental health disorders, would also be highlighted.*

**7. You indicate that you are putting together a proposal for further evaluation. When can we expect that?**

*The Department is in the process of drafting the scope of work for the third-party evaluation and anticipates finalizing the scope of work by February 2016.*

## Affordable housing

### 1. Provide more data (such as the Point in Time Study) to provide a global picture of homelessness.

*According to the 2015 Annual Homeless Assessment Report (AHAR) to Congress, which is an analysis of the annual Point in Time (PIT) surveys, 9,953 Coloradans are homeless.<sup>3</sup>*

*Of the 9,953 individuals identified as homeless in January 2015:*

- *2,819 live on the streets.*
- *1,572 are chronically homeless.*
- *950 are veterans.*
- *763 are domestic violence survivors.*
- *737 are unaccompanied youth, including 171 who are parents themselves.*

*In addition to the PIT results, the Department of Education (DOE) estimates the number of homeless students and uses a broader definition than HUD. As a result, DOE counts a larger number of Coloradans. Specifically, 24,062 students were identified in 2013-14 to be “lacking a fixed, regular and adequate primary nighttime residence.” 1,958 of the 24,062 were unaccompanied youth.*

*PIT is an annual count of individuals and households living on the streets, in shelters or other places not meant for human habitation that is conducted throughout the country. As a requirement of HUD grant recipients, it is specifically administered during the last week of January to identify individuals who meet the HUD definition of homelessness.<sup>4</sup> Although PIT is the best estimate that exists, it is an underestimate of everyone who is struggling to secure housing in Colorado. PIT data is used nationally to identify need and trends. Fully identifying the number of individuals who are experiencing homelessness is a challenge nationally due to the dynamic nature of those in housing crisis, particularly those who are not actively seeking services or identifying as homeless. For example, many families in Colorado double-up or couch surf from home to home of friends and family.*

### 2. Provide a chart similar to the one you provided on who is rent-burdened that identifies what share of senior citizen renters versus senior citizen homeowners are housing-cost burdened.

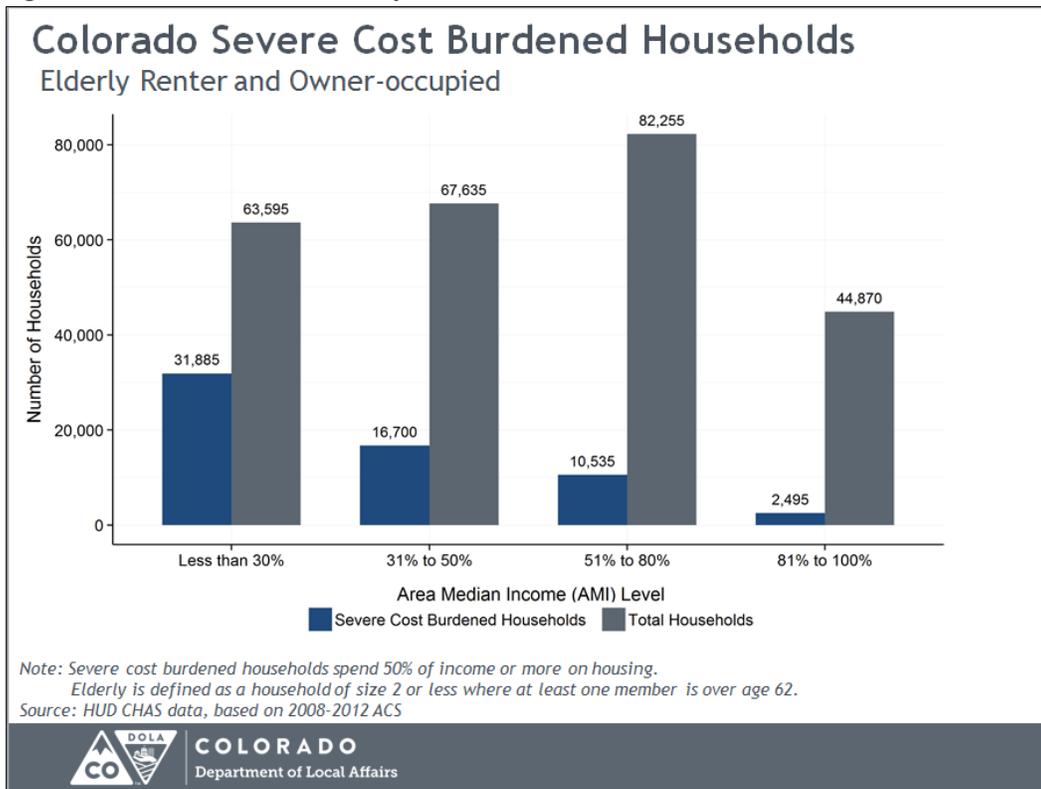
*The following three charts – Figure 2.1, Figure 2.2, and Figure 2.3 – below illustrate the number of elderly residents (62 years and older) with severe cost burdens. Specifically, Figure 2.1 shows that there are 31,885 extremely low income elderly renter- and owner-occupied households with severe housing cost burdens. This is 20 percent of all the households at or below 30 percent of the Area Median Income (AMI) who are severely cost burdened.*

---

<sup>3</sup> The U.S. Department of Housing and Urban Development, Office of Community Planning and Development. *The 2015 Annual Homeless Assessment Report (AHAR) to Congress*. November 2015. <https://www.hudexchange.info/resources/documents/2015-AHAR-Part-1.pdf>

<sup>4</sup> <https://www.hudexchange.info/resource/1928/hearth-defining-homeless-final-rule/>

**Figure 2.1: Cost Burdened Elderly**



*Figure 2.2 shows that 17,415 extremely low income elderly owner-occupied households are severely cost burdened. This is 37 percent of the households at or below 30 percent AMI who are severely cost burdened.*

**Figure 2.2: Cost Burdened Elderly Owners**

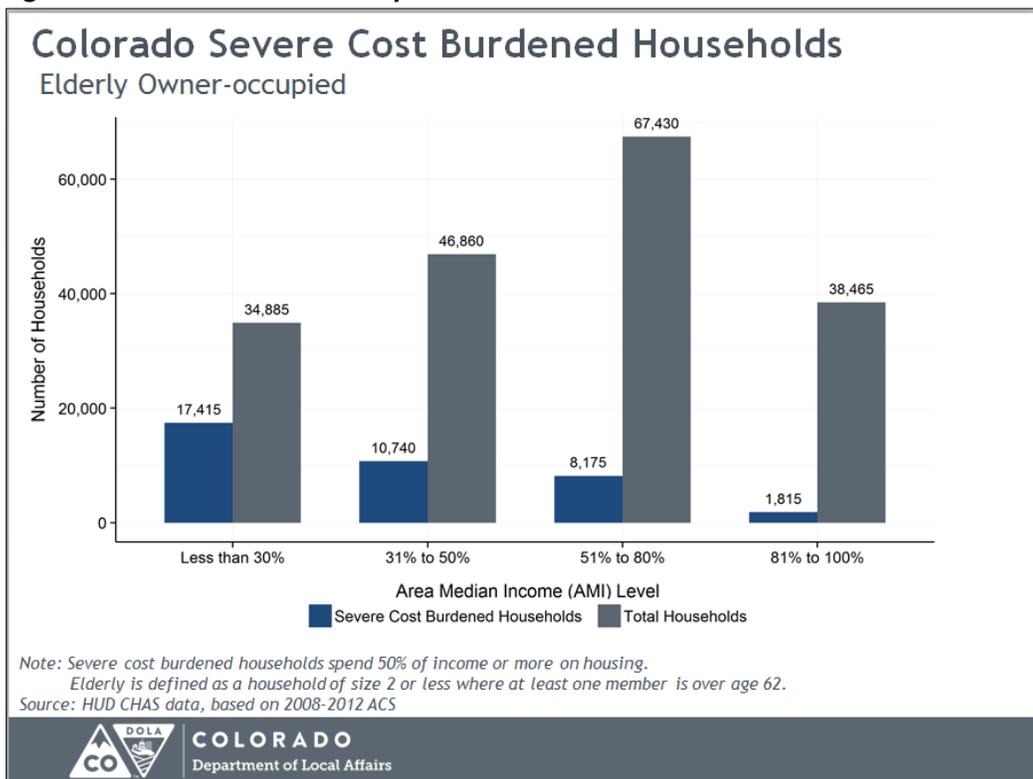
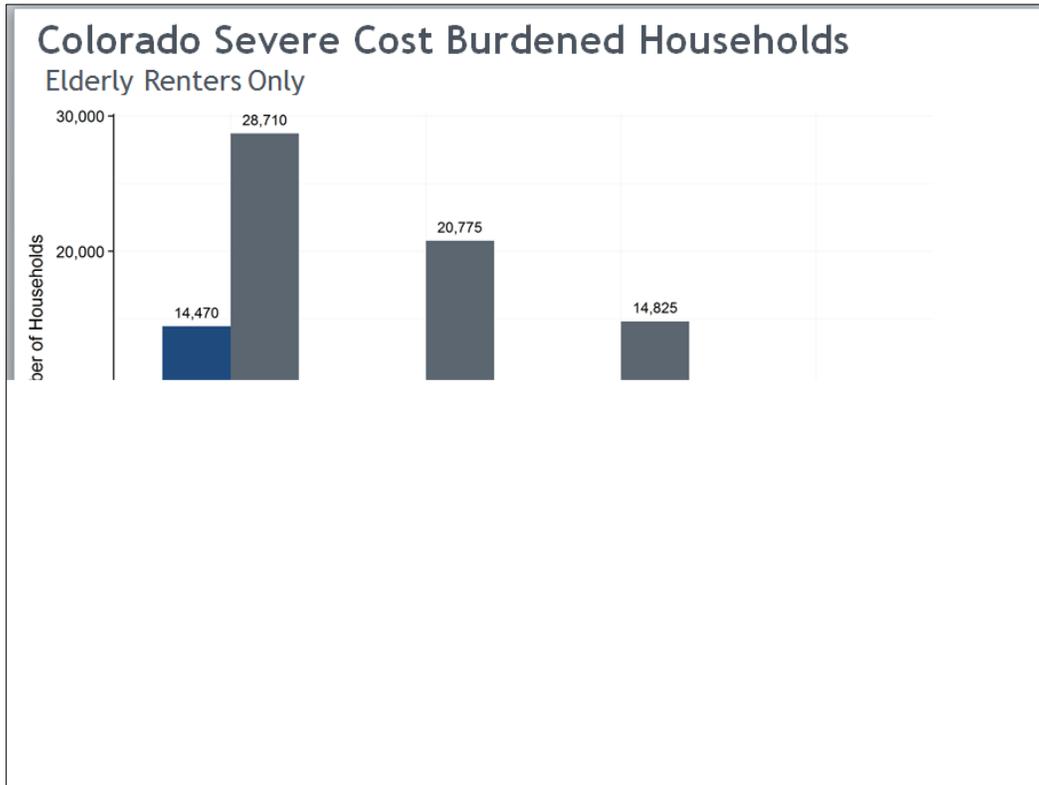


Figure 2.3 shows that 14,470 extremely low income elderly renter households are severely cost burdened. This is 13 percent of the households at or below 30 percent of AMI who are severely cost burdened.

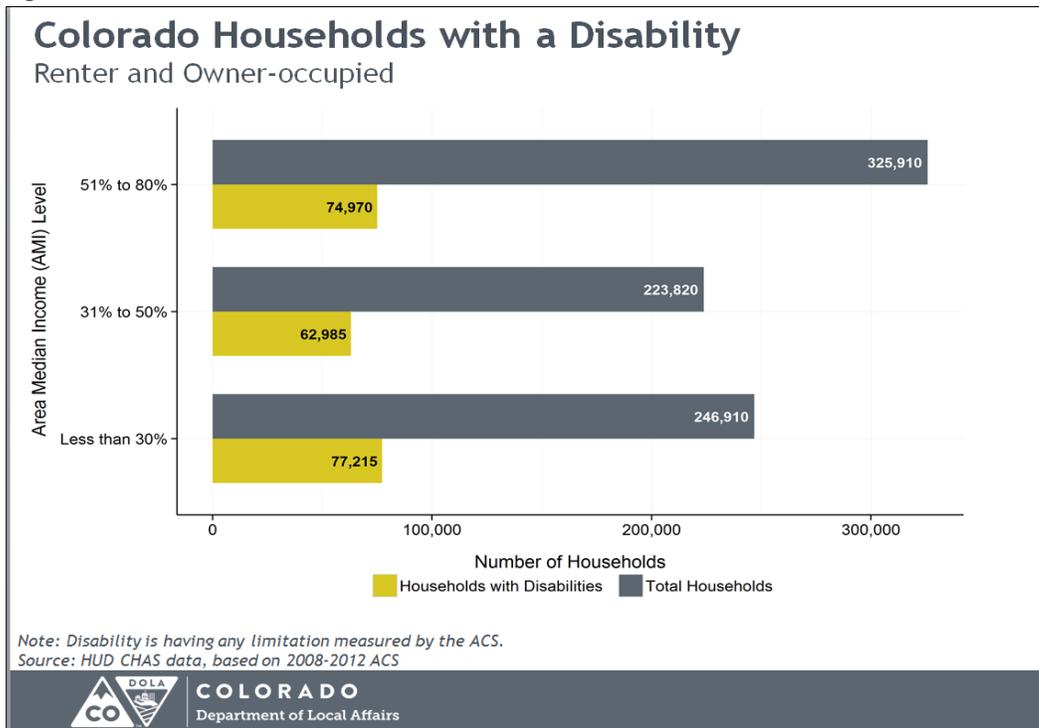
**Figure 2.3: Cost Burdened Elderly Renters**



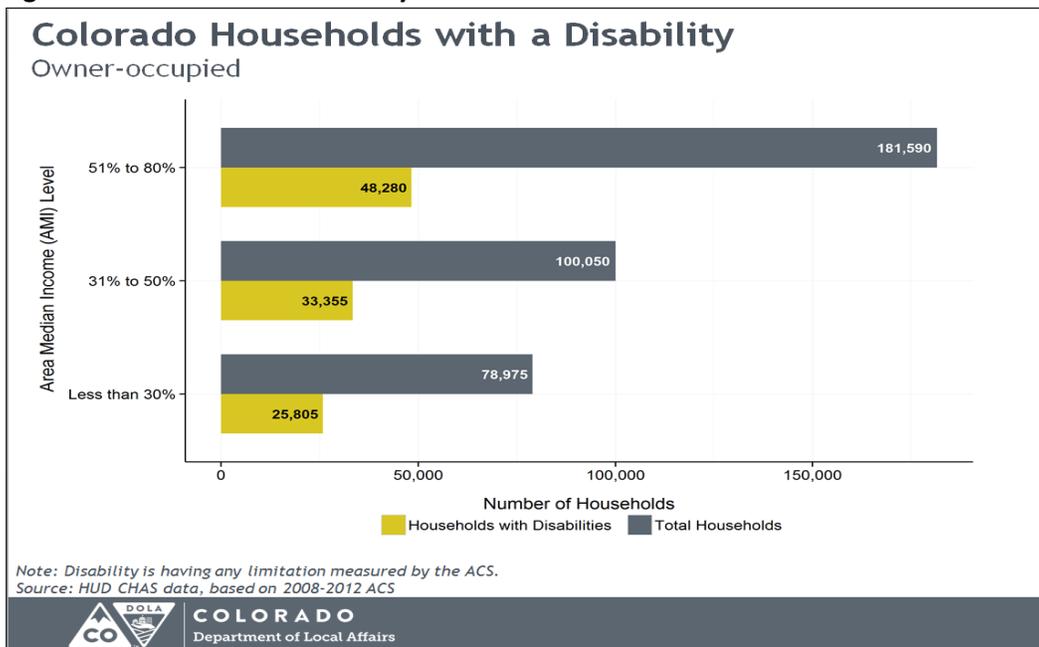
**3. Provide data on the share of cost-burdened households that are people with disabilities.**

Determining the number of persons with disabilities who are cost-burdened in the State of Colorado has proven to be difficult, as this is not a data point that the United States Department of Housing and Urban Development (HUD) uses. Given this limitation, we are unable to replicate the reports exactly as we provided for the general and senior populations. Additional data was collected to illustrate the need. Specifically, the three charts below illustrate the number of disabled households in AMI for both renters and owners. Please note these are not necessarily cost burdened households. However, as Figure 3.1, Figure 3.2, and Figure 3.3 illustrate, the population below 30 percent AMI closely aligns with the population of SSI individuals.

**Figure 3.1: Disabled Households**

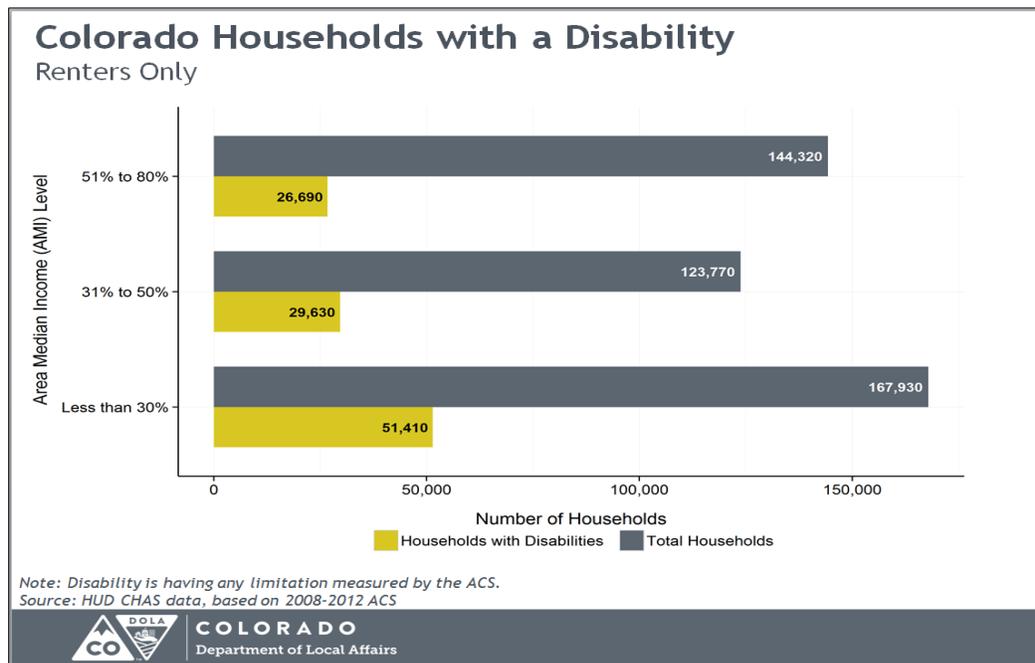


**Figure 3.2: Owners with Disability**



*There are 32,547 households across Colorado with housing rental vouchers, of which 11,520 households are disabled. Given that about 35 percent of housing rental vouchers are held by those with a disability and there are just over 100,000 renting households with a disability below 80 percent AMI, there would be an estimated 30,000 to 40,000 disabled renter households that are severely cost burdened. Furthermore, the data collected by the Census Bureau regarding cost burdened households excludes the 10,000 homeless Coloradans living on the street, who also have a high incidence of disabilities.*

**Figure 3.3: Renters with Disability**



Many of Colorado’s most vulnerable citizens are persons with disabilities who are receiving a monthly benefit from the Social Security Administration. The two programs are Social Security Disability (SSDI) and Supplemental Security Income (SSI). The main differences between SSDI and SSI are:

- SSDI is available to workers who have accumulated sufficient number of work credits through employment.
- SSI disability benefits are available to low-income individuals who have never been able to work because of their disability or who haven't earned enough work credits to qualify for SSDI.

**The Supplemental Security Income (SSI) program** is a federal social security cash assistance program that provides monthly benefits to low-income, aged, blind, or disabled persons. In 2015 the monthly SSI benefit was \$733 per month, or \$8,796 annually. See Table 3.4 below showing SSI households by congressional district.

Congressional district	Number of recipients				Total monthly payments (thousands of dollars)				Number of recipients	
	Total	Aged	Blind	Disabled	Total	Aged	Blind	Disabled	With OASDI <sup>a</sup>	Aged 65 or older
Colorado	72,872	9,071	515	63,286	39,932	3,661	269	36,002	23,772	16,193
1	15,986	2,634	103	13,249	8,934	1,172	55	7,707	4,926	4,477
2	4,959	519	40	4,400	2,644	210	19	2,415	1,646	916
3	13,941	1,093	93	12,755	7,455	273	48	7,134	5,304	2,629
4	9,018	966	57	7,995	4,733	315	29	4,389	3,313	1,959
5	10,282	851	82	9,349	5,662	288	44	5,330	3,393	1,625
6	8,955	1,851	67	7,037	5,083	906	33	4,145	2,284	2,538
7	9,731	1,157	73	8,501	5,420	497	41	4,883	2,906	2,049

SOURCES: Social Security Administration, Supplemental Security Record data; and U.S.P.S geographic data.

a. Includes persons who are receiving both SSI payments and Social Security benefits.

*The Social Security Disability Insurance (SSDI) is the federal disability insurance program that provides monthly cash benefits to eligible disabled individuals and their families for lost wages due to the inability or reduced ability to work. In 2015 the average monthly benefit a disabled worker received was about \$1,150 per month, or \$13,800 annually. See Table 3.5 below showing SSDI households by congressional district.*

**Table 3.5: Number of Social Security Disability Insurance beneficiaries in current-payment status, average monthly benefit, and total monthly benefits  
December 2014**

Congressional district	Number of beneficiaries				Average monthly benefit (dollars)			Total monthly benefits (millions of dollars)
	Total	Disabled workers	Children	Spouses	Disabled workers	Children	Spouses	
Colorado	128,279	107,158	19,805	1,316	1,182	357	317	134.1
1	18,432	16,129	2,173	130	1,134	333	298	19.1
2	12,665	10,826	1,719	120	1,250	405	413	14.3
3	23,003	19,504	3,186	313	1,124	340	310	23.1
4	17,705	14,462	3,063	180	1,186	369	313	18.3
5	22,632	18,133	4,188	311	1,165	334	302	22.6
6	14,668	11,981	2,577	110	1,241	378	301	15.9
7	19,174	16,123	2,899	152	1,226	367	316	20.9

SOURCES: Social Security Administration, Master Beneficiary Record, 100 percent data; and U.S. Postal Service geographic data.

**4. Please continue to provide additional data/materials that help the Committee understand statewide affordable housing resources and funding from multiple sources v. demand for housing.**

*Colorado’s state and local governments do have resources to support affordable housing, and we work together to leverage them with private sector resources to the greatest extent possible. Despite these joint efforts, Colorado still has 155,300 low-income renter households and 116,910 low-income homeowners “severely” cost burdened paying more than 50 percent of their income for housing. (Please note households are actually considered cost burdened when they pay more than 30 percent of their income toward housing costs. We are using “severely cost burdened” to show households in the greatest need.) The following analyzes Colorado’s housing stock, the affordability of housing by the income of Colorado’s citizens and the resources available to develop new affordable housing opportunities.*

**Supply and Demand**

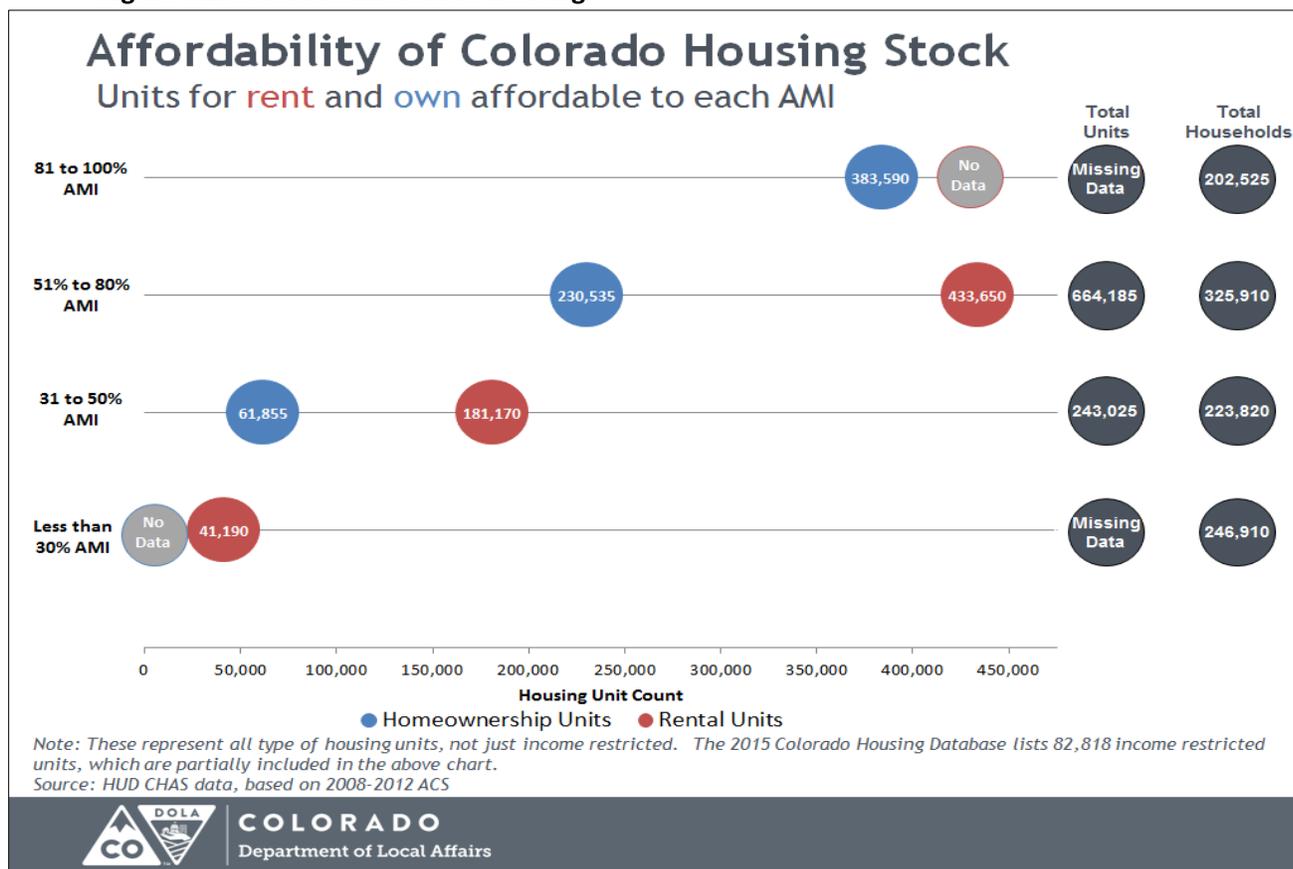
*To understand the need for housing, we first need to understand the supply. Colorado’s supply of affordable housing is a mix of housing developed specifically for low-income people and other housing that is naturally affordable due to its market area, location, size, condition, etc. “Low-income” is defined as earning less than 80 percent of the Area Median Income (AMI).*

*DOH works with developers who commit to keep their housing affordable by restricting both the rent or sales price and the incomes of potential residents. DOH has worked with the Colorado Housing and*

Finance Authority (CHFA) and other funders to develop a database that lists approximately 82,818 income restricted rental units in Colorado (similar data is not available for ownership units).

Figure 4.1 below outlines the affordability of Colorado's housing stock for 100 percent of the AMI (\$79,900 currently for a family of four in Denver) and below. Figure 4.1 below is a good picture of what housing exists in Colorado. However it does not give an accurate picture of how people are actually housed in Colorado, because so few of these units are actually restricted to families at low-income levels.

**Figure 4.1: Colorado Affordable Housing**



The Severely Cost Burdened charts (Figures 4.2-4.4) below are a more suitable tool for understanding the housing needs in the state because of the following factors:

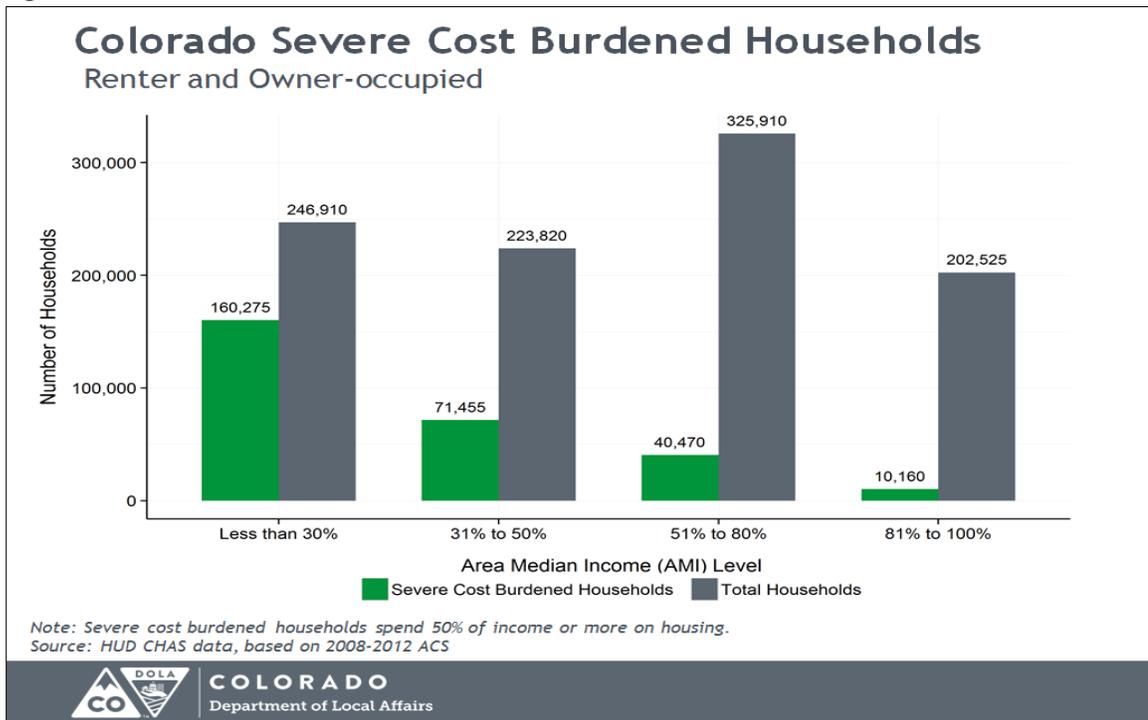
- **People who earn 51-80 percent of the AMI** are still having trouble finding affordable rentals. Even though our largest pool of rental housing stock is affordable in this range (more than twice the housing stock than the household population for this income bracket), low-income families are hard-pressed to find units they can afford, for the following reasons:
  - Rentals that are affordable to people in the 51-80 percent AMI range are often very close to the free-market rents in most housing market areas in Colorado. For example, in the Denver Metro area, a 4-person household earning 80 percent AMI could afford to spend almost \$1,600 on housing (including utilities). A similar household earning 50 percent AMI could

- afford to spend almost \$1,000. The average free-market rent for a 2-bed, 2-bath apartment was \$1,493 in the 2nd Quarter of 2015, and it was \$1,788 for a 3-bedroom.*
- *Households making more than 80 percent AMI are also renting and buying homes in this range because this is the market. Because these units are not income-restricted, many are occupied by people of higher income which pushes low-income families out, causing a mismatch of housing stock affordability and tenant income.*
  - *As luxury or Class A apartments age, the properties often become affordable to this income range.*  
*On the other hand, with the recent high rental market demand, many units are being lost on the affordable market as owners choose to rehabilitate, upgrade and increase rents.*
  - *Housing Choice Voucher holders rent homes in this range. Due to the recent pressures on rental markets and historic low vacancy rates, landlords can demand higher rents exceeding current HUD fair market rents, pushing Voucher holders out.*
  - *Conclusion: Regardless of the affordability of the housing stock in the 51-80 percent AMI range, there are still 40,470 renter and homeowner households in this range that pay more than 50 percent of their income in housing costs.*
  - ***People who earn less than 30 percent of AMI have the fewest options to find affordable housing. (\$23,950 currently for a family of four in Denver.):***
    - *There are only 41,190 rental units serving households making less than 30 percent AMI although there are a total of 246,910 households at this income level in Colorado.*
    - *No data was reported for homeownership units because these units are rare due to the low valuation that would make it affordable at this income bracket. Based on an annual income of \$23,950, a house would have to be valued at \$73,500 to be affordable.*
    - *Households making less than 30 percent AMI are also served by Housing Choice Vouchers which allows them to rent housing stock affordable up to the fair market rent (please see discussion above about the housing stock affordable between 51 and 80 percent of AMI).*
    - *Conclusion: With the limited amount of housing stock affordable at this range, there are 160,275 renter and homeowner households in this range that pay more than 50 percent of their income in housing costs. This is a 24 percent increase from before the great recession.*

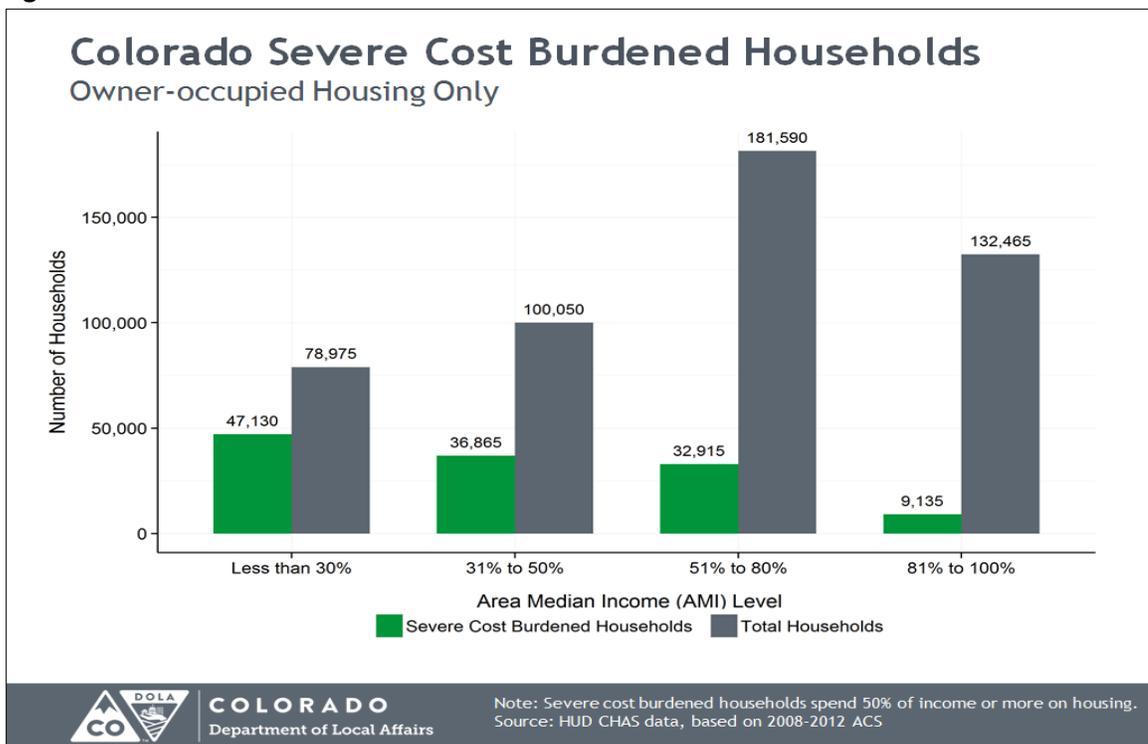
*Even with the 82,818 affordable units restricted to low-income households, many low-income families remain severely cost-burdened. In all of the other units that are naturally affordable, there remains a mismatch: many families who are not low-income occupy units that would otherwise be affordable to low-income families. This leaves many low-income families in unaffordable situations, paying over 30 percent of their income for housing.*

*Figures 4.2-4.4 take it a step further to show only those households who are severely cost-burdened, paying over 50 percent of their income. These are the families in greatest need of new affordable housing resources.*

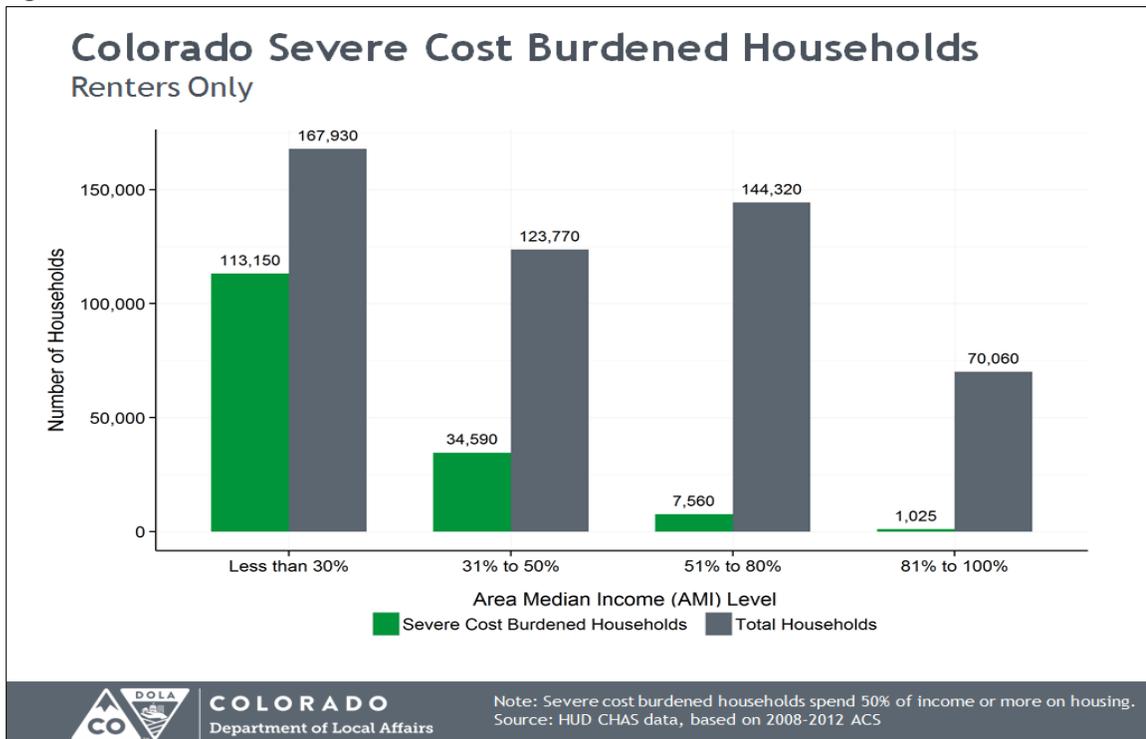
**Figure 4.2: Cost Burdened Renters**



**Figure 4.3: Cost Burdened Owners**



**Figure 4.4: Cost Burdened Renters**



*Colorado still has 155,300 low-income renters paying more than 50 percent of their income for housing, and 116,910 low-income owners paying more than 50 percent of their income.*

**Resources**

*DOH works with a variety of federal and state resources to address the need for affordable housing in Colorado. We also work in partnership with many local governments, housing authorities and others to leverage these resources.*

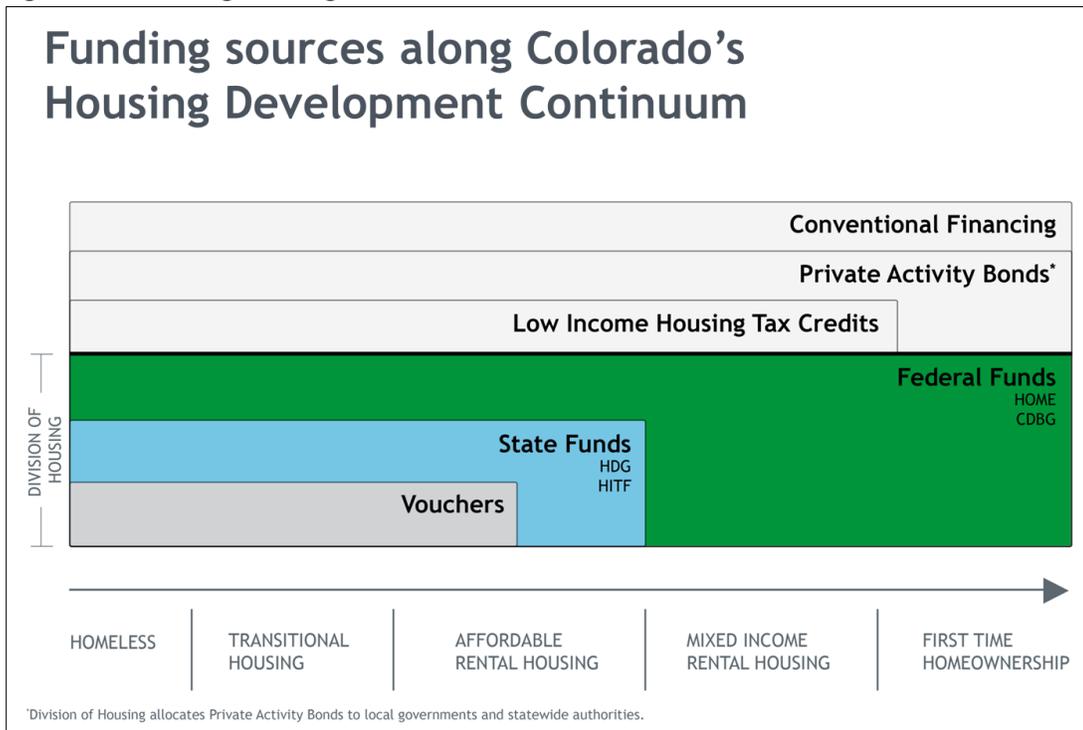
*The renters who earn less than 30 percent AMI, but are not cost-burdened, either reside in a unit restricted as affordable for them, or they have assistance to pay their rent, such as the Housing Choice Voucher program. In Colorado, this program is run through DOH as well as many local housing authorities. Figure 4.5 shows the maximum number of vouchers available in Colorado (budgetary limitations make the actual number of households we serve somewhat smaller).*

**Figure 4.5: Federal Resources Available for Tenant-Based Housing Subsidies**

PHA Name	HCV ACC Units
Colorado Division of Housing	6,636
Local Housing Authorities	25,911
<b>Total</b>	<b>32,547</b>

*Funds provided by the Department for new construction or acquisition and rehabilitation projects are typically highly leveraged by other sources of public and private funds. Of the state funds granted and loaned, DOH estimates that the approximately \$9.4 million awarded for affordable housing projects will be leveraged by nearly \$164 million in other public and private funds, which include conventional bank financing, Private Activity Bonds, Low Income Housing Tax Credits, Federal, State and Local gap financing; fee waivers, and charitable donations of land, buildings and individual giving. Figure 4.6 shows these funding layers by the type of affordable housing they support.*

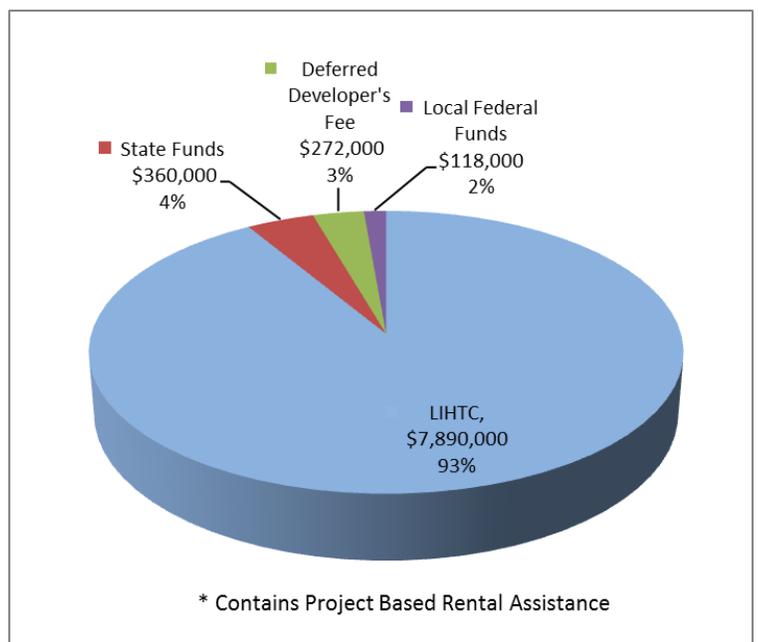
**Figure 4.6: Housing Funding Sources**



Each deal is funded differently based on the funds available for leveraging, local priorities, the population served and the amount of gap funding needed to compensate for the lower rents charged to low income residents (the lower the rent, the less conventional debt a project can support). As previously provided in the Department's RFI#1, the Department funded 27 housing projects and programs with state grant and loan funds in SFY15. The following pie charts represent four deals, spread out over the spectrum shown above, the Department funded with SFY15 Housing Development Grant (HDG) funds:

**HOMELESS: 15-043 - Mesa County – Pathways Village**

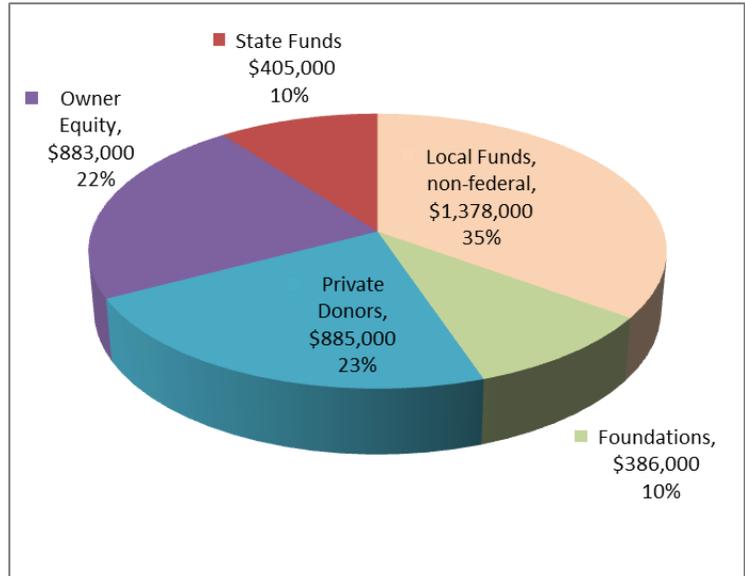
HomewardBound of the Grand Valley, Inc., in partnership with Cardinal Capital Management, Inc., received a grant of \$360,000 to help construct Pathways Village, a permanent supportive housing project for individuals and families who are homeless or at risk of homelessness. The 40-unit project will consist of 20 one-bedroom, 15 two-bedroom, and 5 three-bedroom units along with community and supportive service space. Units will be restricted to 50 percent AMI and 30 percent AMI, but all residents will likely be extremely low income (<30 percent AMI). Supportive services will be



provided by Hilltop Community Resources. In addition, the Grand Junction Housing Authority awarded the project 40 Project-Based Vouchers to provide rent subsidy for residents.

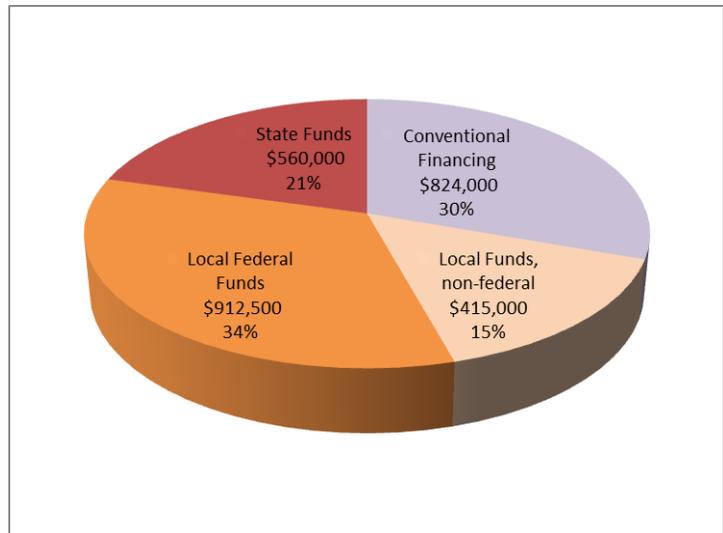
**TRANSITIONAL HOUSING: 14-060 - Boulder County – SPAN**

*Safehouse Progressive Alliance for Non-Violence (SPAN), a private non-profit corporation, received an HDG grant in the amount of \$405,000 for construction of their domestic violence emergency shelter. The shelter is in the City of Boulder and provides 27 beds in nine sleeping rooms, as well as a laundry room, reading area, kitchen, living room, dining room, teen room, kid’s play room, client computer lab, library and an outdoor (enclosed) garden with room for kids to play. There is work space for shelter staff and crisis phone line staff, counseling/group meeting rooms, a health clinic, a secure receiving area and storage.*



**AFFORDABLE RENTAL HOUSING: 14-071 – El Paso County – The Santa Fe Apartments**

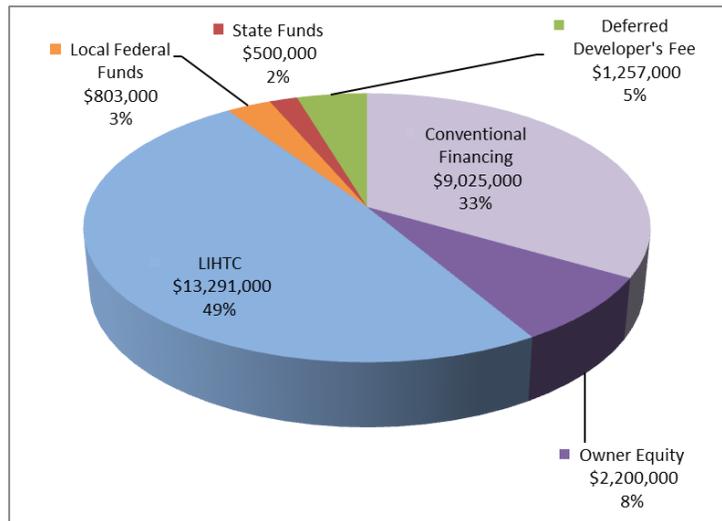
*Greccio Housing Unlimited Inc., a private non-profit corporation, received an HDG grant in the amount of \$560,000 for the acquisition and rehabilitation of Santa Fe Apartments in Colorado Springs. The development contains 54 units within three buildings, and has 35 one bedroom apartments and 19 two bedroom units. Units are income restricted between 30 percent AMI and 60 percent AMI. The structures were built between 1965 and 1969.*



**MIXED INCOME HOUSING: 14-062 - Jefferson County – City Scape at Belmar**

*Metro West Housing Solutions, a private non-profit corporation, received an HDG grant in the amount of \$500,000 for construction of new apartments for senior citizens. The site is in Belmar, a New Urbanism neighborhood in downtown Lakewood, within walking distance of shops, restaurants, grocery stores, a park, etc. When completed this LEED Gold certified building will offer 130 units, with 38 market rate units and the balance of the units affordable from 30-60 percent of AMI.*

All of these projects received funding from DOH's Housing Development Grants (HDG) line item and from local sources as well. Sometimes these grants come from general funds (like our HDG) or other local resources, but often they come from HUD funds, especially the CDBG and HOME programs. The following chart summarizes current CDBG and HOME availability:



### Federal Resources Available for Affordable Housing Production

NAME	CDBG15	HOME15	Total
DOLA - Division of Housing	*\$8,114,075	\$4,112,590	\$12,226,665
Local Governments	*\$25,643,019	\$8,314,938	\$33,957,957
<b>Total</b>	<b>\$33,757,094</b>	<b>\$12,427,528</b>	<b>\$46,184,622</b>

Source: HUD Community Planning and Development Program Formula Allocations for FY2015: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/about/budget/budget15](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/budget/budget15)

**\*Note: Not all CDBG funds are used for housing -DOLA uses approximately 1/3 of its CDBG allocation for housing, but each local jurisdiction makes their own determination.**

### Severance Tax/Broadband

1. Provide additional information on Eagle Net, including the lessons learned from that project.

The EagleNet project was an initial collaboration between multiple local school districts and Boards of Cooperative Education Services (BOCES) primarily from rural parts of the state. These entities formed a local government collaborative organization – as provided in Colorado statute – and received funds from the Broadband Technologies Opportunities Program (BTOP) within the American Recovery and Reinvestment Act (ARRA - Recovery Act) administered through the National Telecommunications and Information Administration (NTIA). The purpose of the project was to connect multiple locations related to K-12 and higher education together with a high-speed data network.

The award was originally made to the Centennial Board of Cooperative Education Services (CBOCES) and shortly transferred to the EagleNet Alliance that included multiple BOCES and school districts. As a collaborative entity under Colorado statute, the EagleNet Alliance was an independent entity without any oversight or involvement from state government or the legislative branch. The alliance was managed through a board of directors.

While the State of Colorado did not have direct oversight or involvement with the EagleNet project, a key observation is that in any effort to expand availability or capacity it is critical to have all stakeholders – public and private – engaged in the process at the local, regional, and State level from inception.

*For additional information, EagleNet's current President is Mike Ryan who can be contacted at [mike.ryan@co-eaglenet.net](mailto:mike.ryan@co-eaglenet.net).*

2. Eagle Net has been criticized in part for the way it duplicated services for people who already had access to services. Is the state now potentially going to put incumbent providers out of business? Are providers losing anchor customers to new entities being funded by the State?

*The Department is not funding projects intended to compete directly with local incumbent providers for community anchor institutions (CAIs). Within the broadband grant program, grantees are facilitating the installation of infrastructure that can be used by multiple private sector providers (including incumbents) on a competitively neutral basis. In all projects funded to date, the local governments are working with providers to ensure governments are not providing end-user service. The inclusion of fiber connectivity to CAIs is intended to enhance the ability of local incumbents and other service providers to deliver increased levels of service to organizations that provide essential services to a community. Separating the infrastructure from the service allows for competition within communities, which will increase quality of service and decrease the cost.*

*It should be noted that none of the middle-mile projects funded by the Department are completed and operational. Once complete, the middle-mile loops will consist of an Open Access Network, in which all potential service providers are able to compete to provide service in a carrier neutral environment. At this point, the Department does not know whether incumbent providers will compete successfully in this environment. There are possible scenarios where providers could lose anchor customers, but the Department has no specific knowledge of this occurring at the present time.*

*The Department's broadband grants are not exclusively guided by specific broadband definitions for unserved or underserved areas; rather it follows the Energy Impact Assistance Fund program criteria and scoring methodology. Among other review criteria, grants are also awarded based on financial need. As a consequence, the majority of grant funding is directed to smaller and more rural communities, which are precisely the areas where sufficient broadband service is lacking.*

3. Members of the Joint Budget Committee are concerned about what appears to be lack of state coordination on Broadband. Clarify how the services being provided by DOLA are unique/not duplicates of other state efforts.

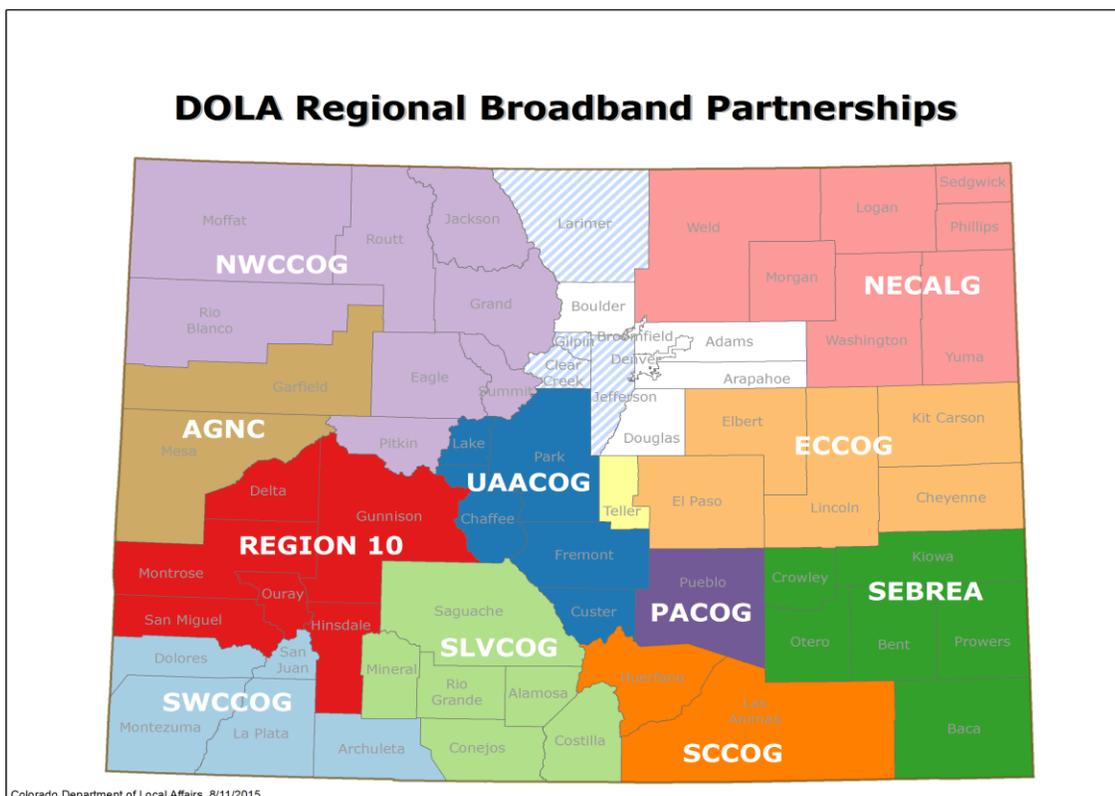
*Over the past three years, local jurisdictions across the state have begun contacting the Office of Information Technology (OIT), the Office of Economic Development and International Trade (OEDIT), and the Department for assistance in prioritizing critical broadband infrastructure needs to support both community and economic development goals. As recommended by the Advisory Committee, the Department responded by providing planning assistance and middle-mile infrastructure grants for broadband as infrastructure critical to providing stronger education and health care services, as well as economic and community development.*

*Further, through the State's current broadband efforts as coordinated by OIT, the Department fully intends to complement its efforts with the Broadband Fund and any other applicable funding mechanisms. The Department believes that integrating multiple agencies into the broadband effort has a positive effect as each agency brings with it specific skill sets and experiences. The various state agencies are in constant*

communication to ensure the overall objectives are met. A representative from the Department is appointed by the Governor to the Broadband Deployment Board, so close coordination is anticipated in the future. The Broadband Deployment Board will be focused on funding last-mile services and infrastructure with grants available to the private sector. The Department's broadband grants are focused exclusively on providing open network middle-mile infrastructure to deliver broadband bandwidth to communities and their CAIs through local governments. Separation of these two objectives augments the ability of the Broadband Deployment Board to focus exclusively on last-mile projects and the delivery of services directly to businesses, governments, educational institutions, and consumers.

4. Provide a list or map of the regional Broadband planning areas. Do the DOLA funded planning activities address concerns that Allenspark is getting bypassed by Century Link as it builds capacity up to Estes Park?

The Department's broadband planning areas are found on its broadband website at [www.dola.colorado.gov/broadband](http://www.dola.colorado.gov/broadband) and copied below. DOLA has not funded any broadband planning activities in Boulder or Larimer counties since no requests from these areas have been submitted. A planning grant request under review from Estes Park would include the Allenspark area. This project will be presented at a hearing of the Energy and Mineral Impact Assistance Advisory Committee in March 2016.





# FT. LYON SUPPORTIVE RESIDENTIAL COMMUNITY

ANNUAL REPORT: SEPTEMBER 2013–AUGUST 2014

*Produced by the Colorado Coalition for the Homeless*

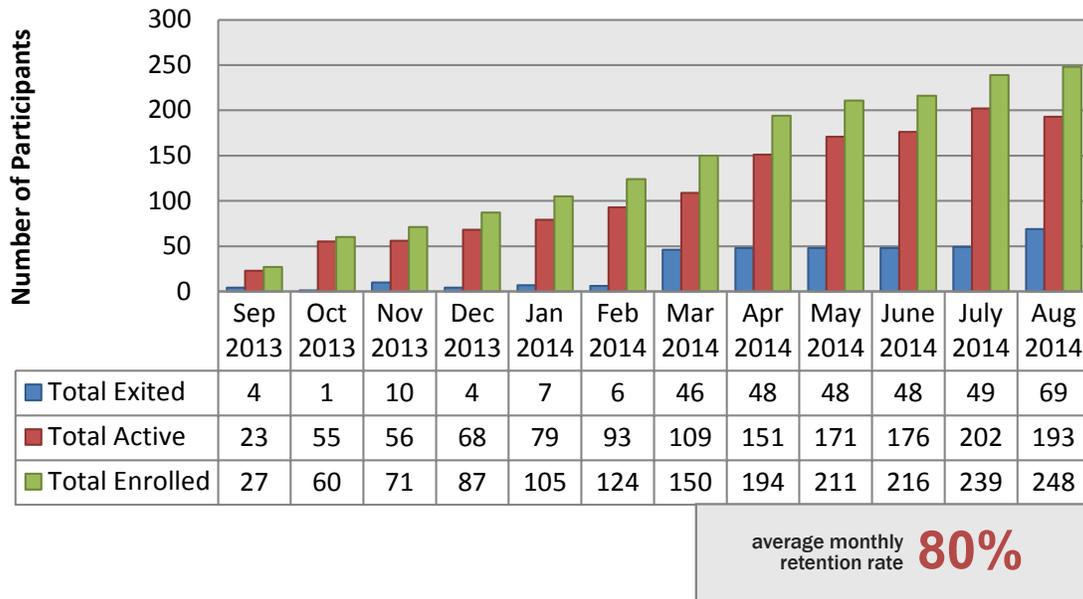


## INTRODUCTION

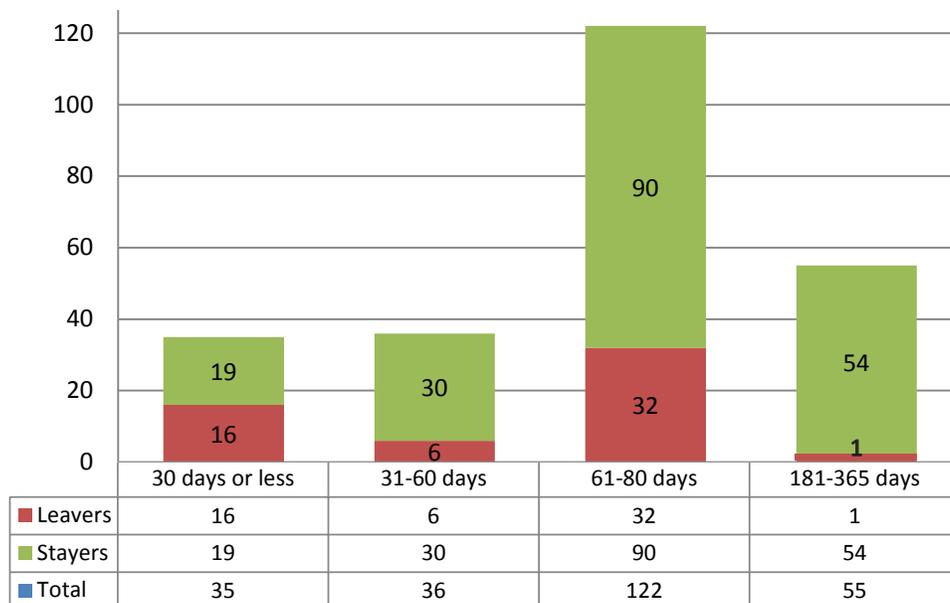
The INTRODUCTION

## POPULATION OVERVIEW

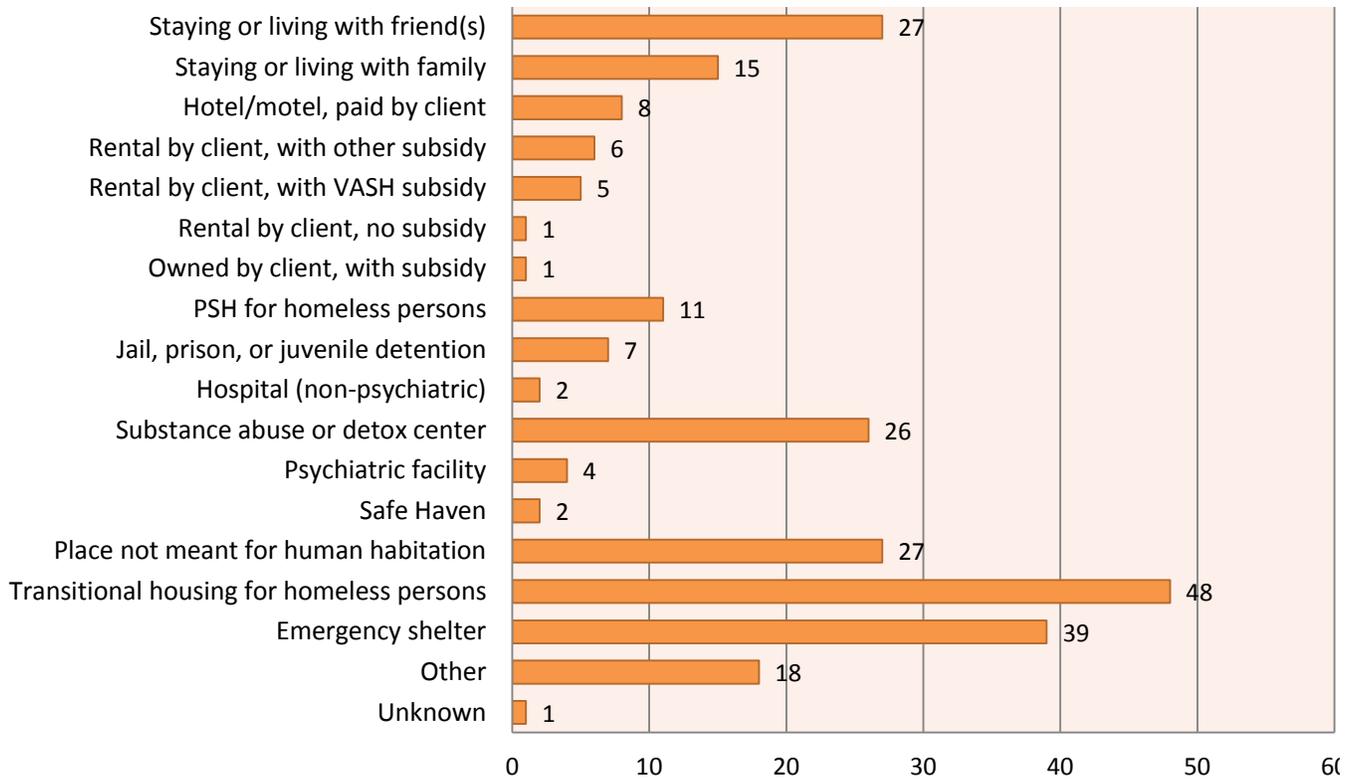
### 1 Total Residents



### 2 Length of Residency



### 3 Residence Prior to Program Entry



### 4 Residents' Exits: Reasons for Leaving

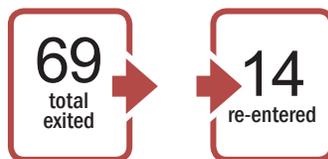
**12**  
completed goals  
or graduated

**43**  
voluntarily  
discharged

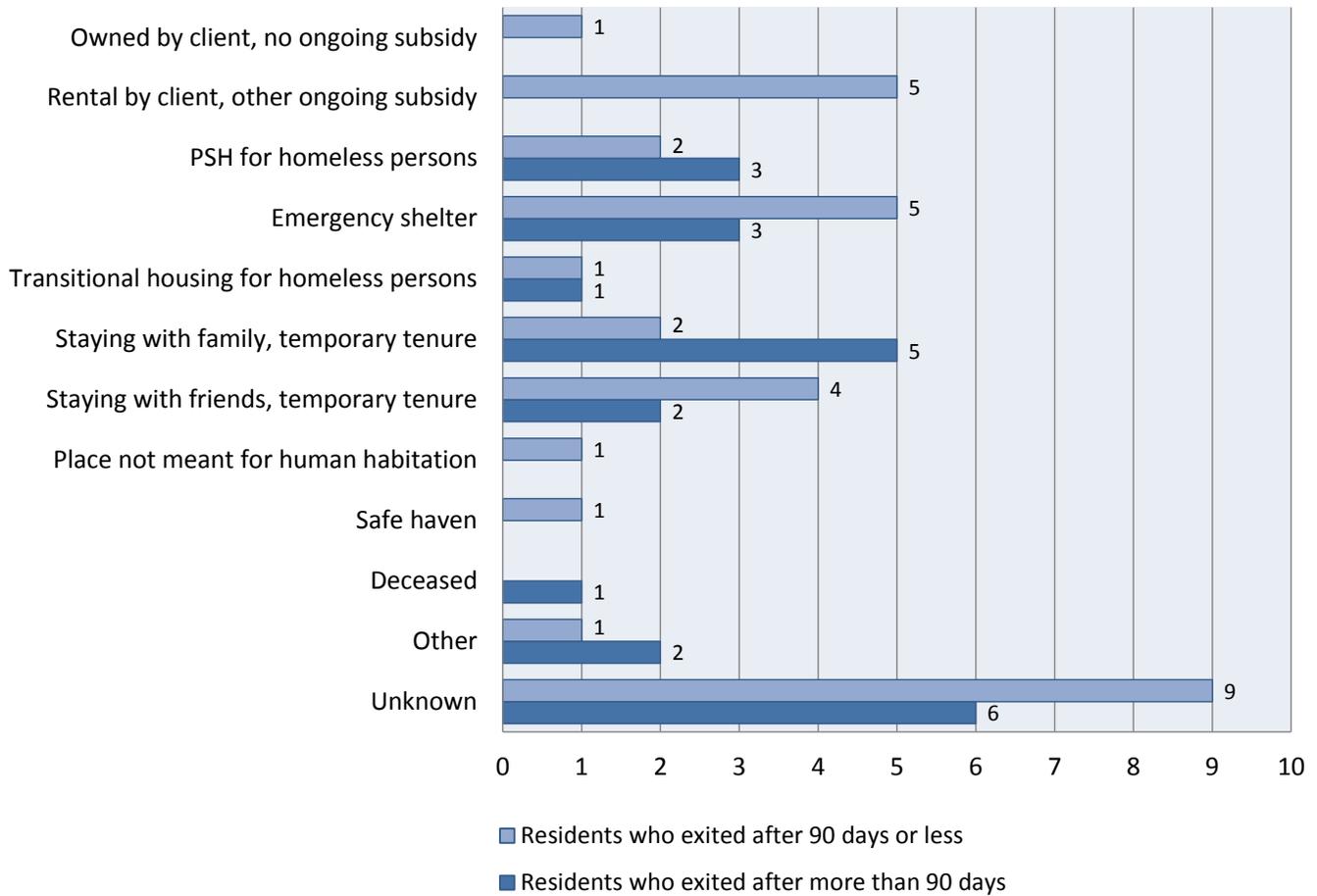
**15**  
involuntarily discharged  
or rule violation

**1**  
deceased

**104 days**  
average length of residency  
before discharge

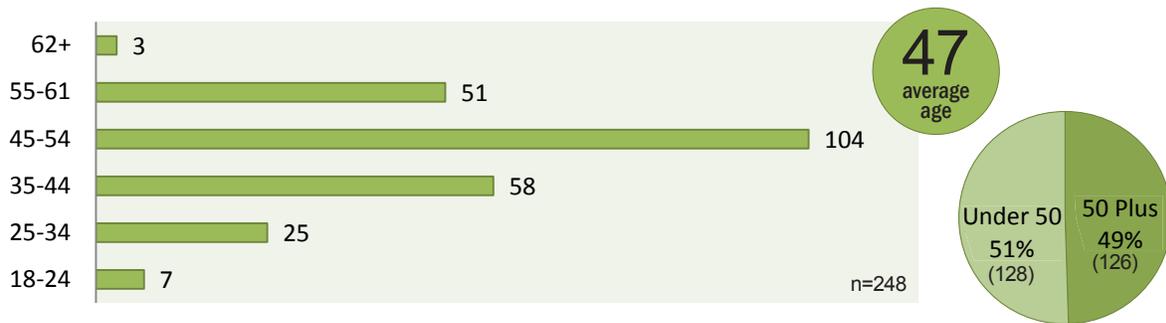


**5** Destination at Program Exit

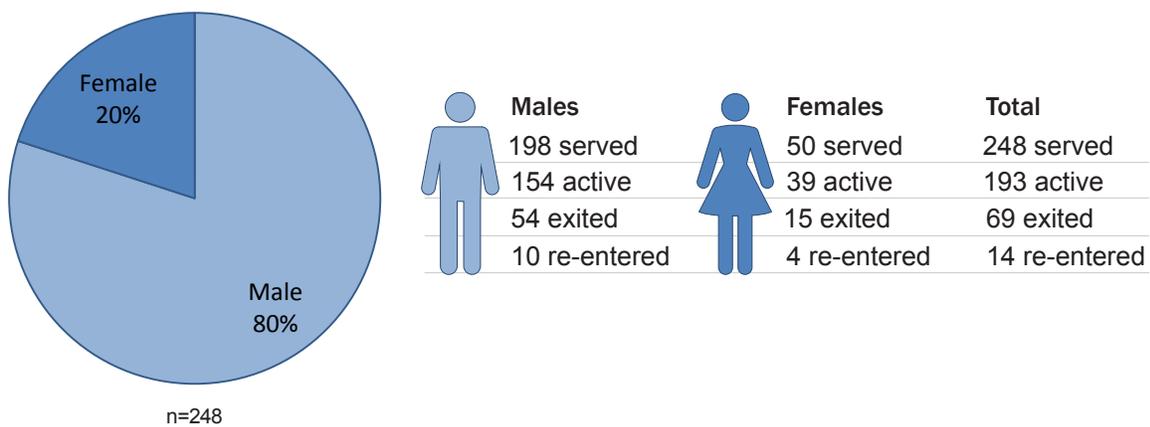


## RESIDENT CHARACTERISTICS

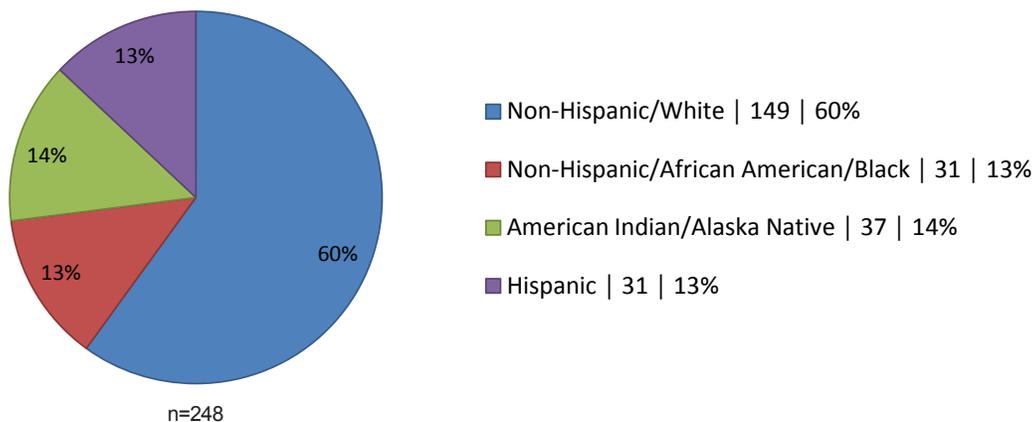
### 6 Age



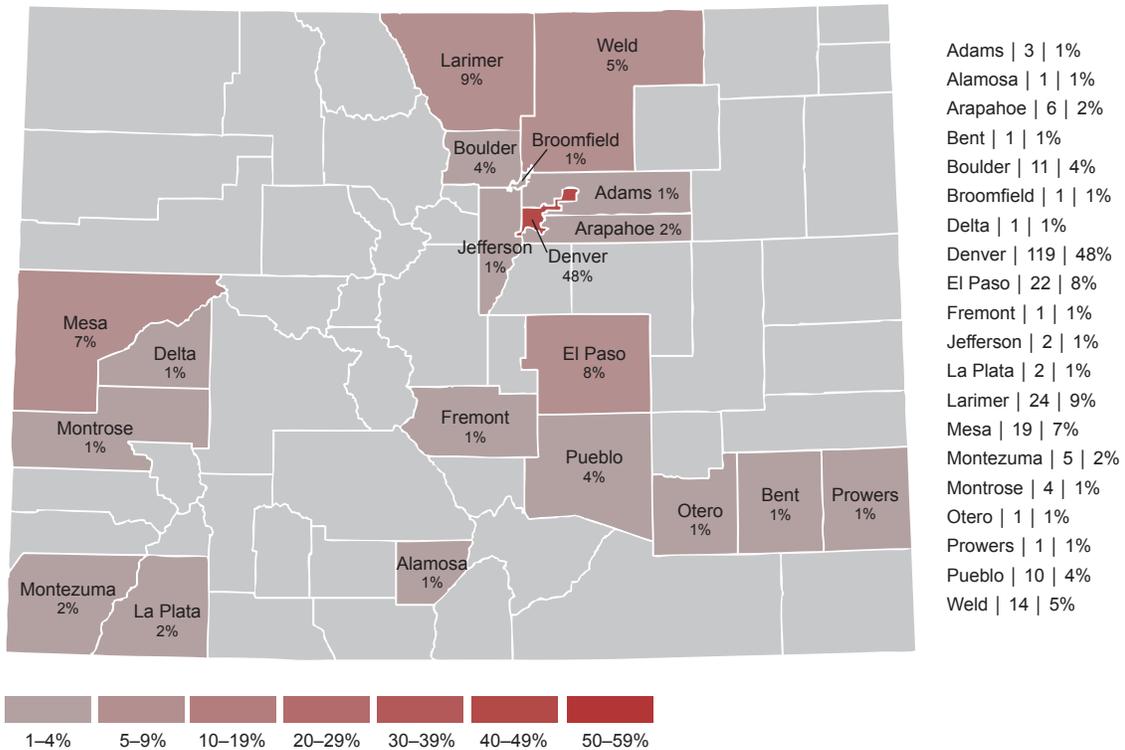
### 7 Gender



### 8 Ethnicity



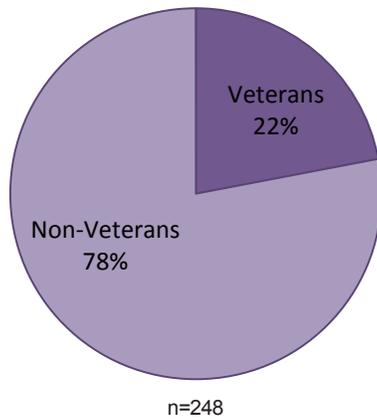
## 9 County of Origin



## 10 Length of Homelessness Prior to Entry



## 11 Veterans

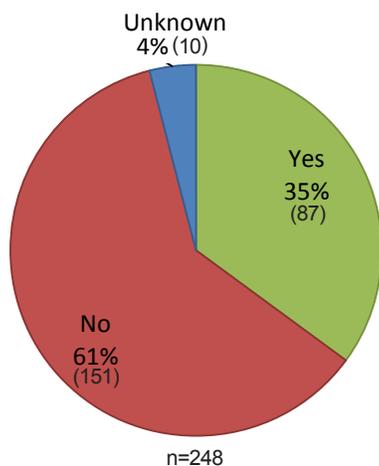


	Veterans	Total
Served	56 served	248 served
Active	40 active	193 active
Exited	16 exited	69 exited

NOTE: Veterans make up 11.5 percent of the homeless population in the Denver Metro area, and seven percent in Colorado.



## 12 Domestic Violence Experience



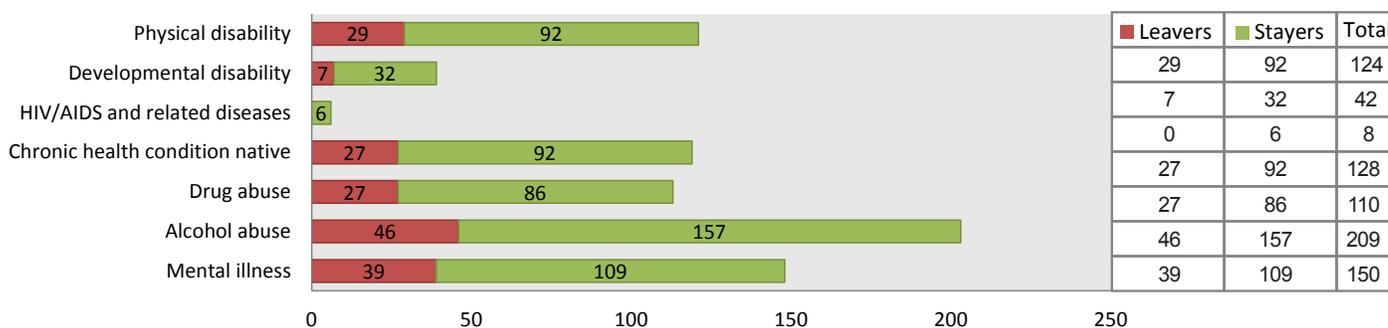
NOTE: Victims of domestic violence struggle to find permanent housing after fleeing abusive relationships. Many have left in the middle of the night, with nothing but the clothes on their backs, and must now entirely rebuild their lives.

## PHYSICAL AND MENTAL HEALTH CHARACTERISTICS

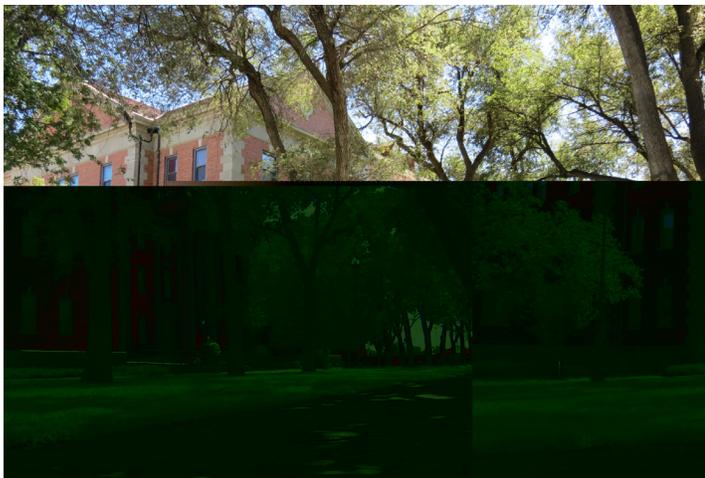
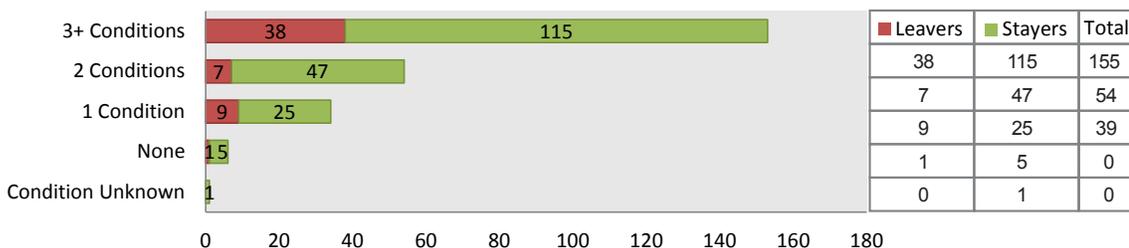
In general, residents saw the biggest improvement in depression, anxiety, and perceived quality of life within the first three months of residency at Fort Lyon. However, those improvements were not only sustained through six months, but clients continued to show improvement in scores. Outcome data will continue to be collected at 12 months, 18 months, and 24 months while clients are in the program. The assessments are also conducted when a client exits the program, and if reachable, at 30 days and six months after exiting. Exit and post-exit data will be reported on the next annual report, once a sufficient number of clients have been assessed at these time points.

### 13 Physical and Mental Health Conditions at Entry

#### Known Conditions at Entry



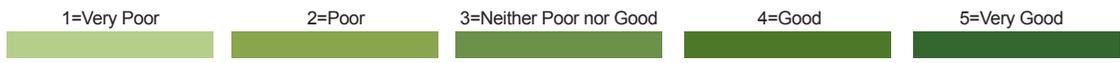
#### Number of Known Conditions at Entry



## 14 Quality of Life Improvements

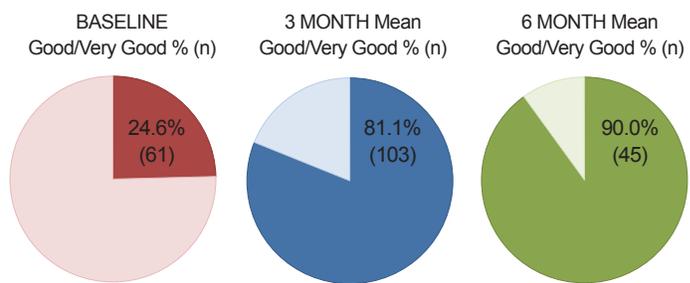
The World Health Organization Quality of Life (WHOQOL) project was initiated in 1991 to develop an international, cross-culturally comparable quality of life assessment instrument. It assesses the individual’s perceptions in the context of their culture and value systems, and their personal goals, standards and concerns. The WHOQOL-BREF instrument comprises 26 items, which measure the following broad domains: physical health, psychological health, social relationships, and environment.

Fort Lyon residents saw a significant increase in overall quality of life and satisfaction of health. Scores on quality of life ratings (on a scale of 1–5, 1=very poor and 5=very good) went from an average of 2.73 (n=248) at baseline to 4.20 (n=50) at six months. Furthermore, at baseline only 24.6 percent of residents rated their quality of life as “good” or “very good” at baseline, compared to 90 percent at six months. Similarly, the mean baseline rating regarding satisfaction of health was only 2.68, compared to 3.60 at six months. At six months, 64 percent of residents rated a higher satisfaction with health, compared to only 24.6 percent at baseline.



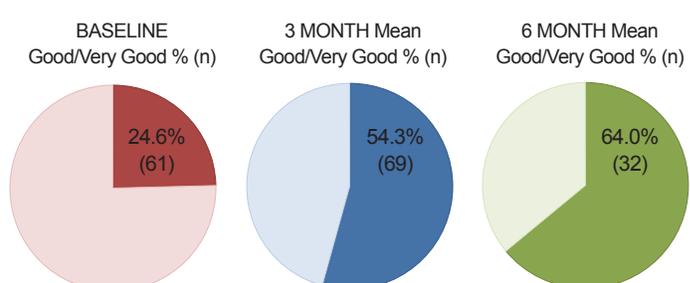
### How would you rate your quality of life?

BASELINE Mean (n=248)	3 MONTH Mean (n=127)	6 MONTH Mean (n=50)
2.73	3.99	4.20



### How satisfied are you with your health?

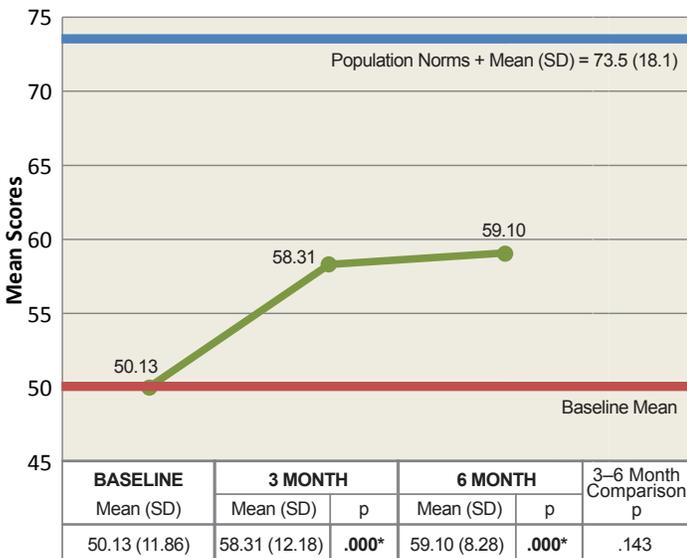
BASELINE Mean (n=248)	3 MONTH Mean (n=127)	6 MONTH Mean (n=50)
2.68	3.34	3.60



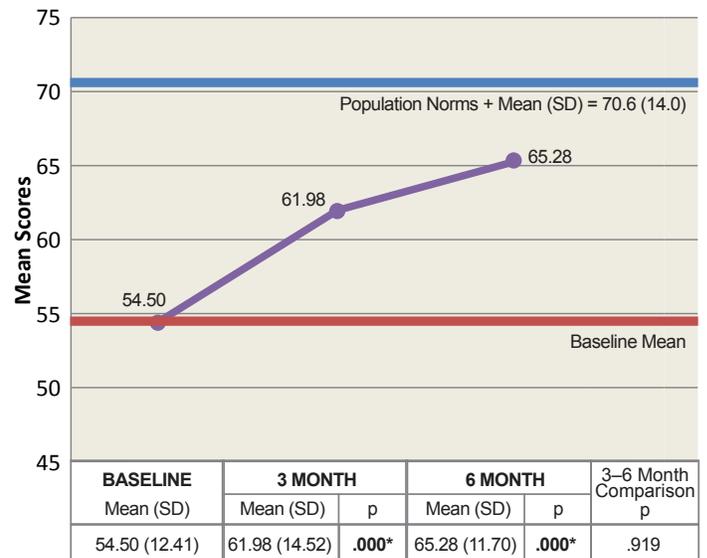
## Quality of Life Improvements (cont'd)

Domain scores on the WHOQOL range from 0–100 and are scaled in a positive direction—higher scores indicate a higher perception of quality of life. As a point of reference, the mean scores at baseline for Fort Lyon residents were approximately 20 points below that found in the general population<sup>1</sup> across all four domains. Paired t-tests were conducted to compare means at baseline to the three month and six month follow-ups. Mean ratings in all four domains increased at three months and six months. The differences compared to baseline were statistically significant (p=.000). When comparing mean ratings at three months to those at six months, scores in all domains continued to increase; however, only one domain showed statistical significance. Social relationships increased significantly, from 45.19 at baseline to 52.02 at three months and 60.12 at six months. Interestingly, mean scores of quality of life related to environment were 73.12 at six months, only slightly less than the population average of 75.1.

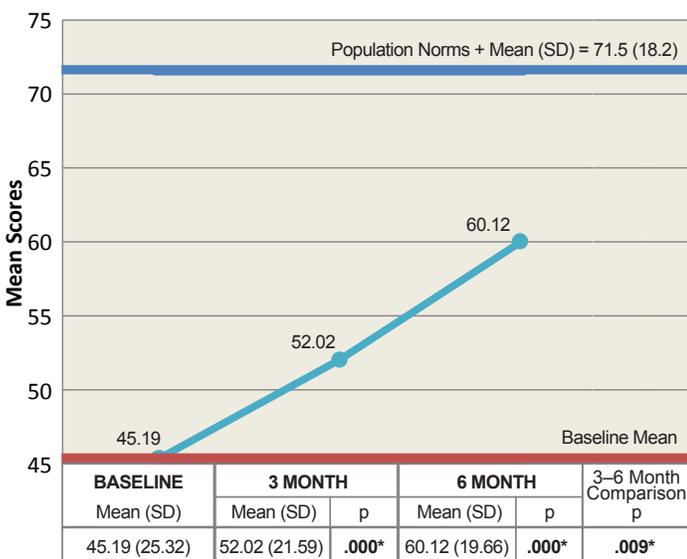
### Physical Health



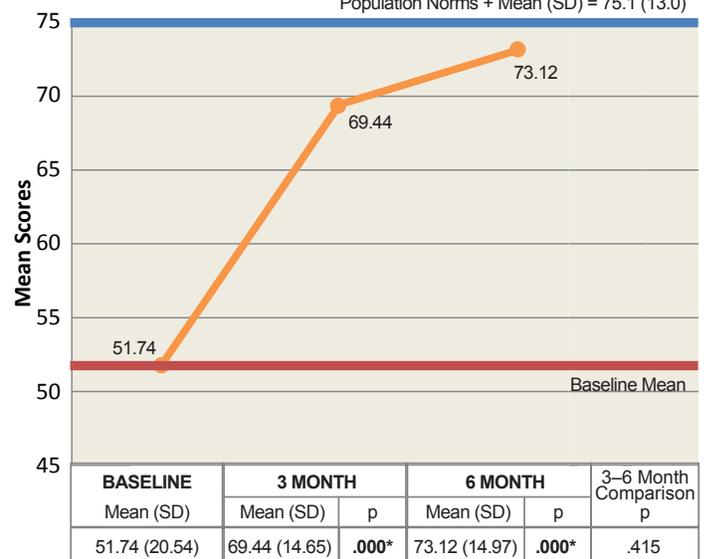
### Psychological



### Social Relationships



### Environment



<sup>1</sup> Hawthorne, G., Herrman, H., & Murphy, B (2006). *Interpreting the WHOQOL-Bref: Preliminary Population Norms and Effect Sizes*. Social Indicators Research, Vol 77, issue 1, p37-59.

\* Statistically significant at p < .01.

## 15 Depression/Anxiety Improvements

The PHQ-9 is a nine item depression scale based on the nine diagnostic criteria for major depressive disorder in the DSM-IV (Diagnostic and Statistical Manual Fourth Edition) validated for use in primary care. The tool identifies overall depression severity as well as the specific symptoms and response to treatment. Together, the Patient Health Questionnaire (PHQ) and GAD-7 screening tools offer clinicians concise, self-administered screening and diagnostic methods for mental health disorders, which have been field-tested in office practice. These tools are quick and user-friendly, improving the recognition rate of depression and anxiety, while facilitating diagnosis and treatment.

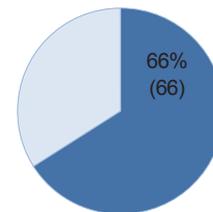
The PHQ-9 captures scores ranging from 0–27, with higher scores indicating more severe symptoms. The baseline mean was 11.53 with a full range in scores from 0 to 27. One hundred clients had baseline scores higher than “minimal depression.” Of those 100 clients, 66 (66.0%) experienced a decrease in scores of 20 percent or higher at three months. Paired t-tests were conducted to compare mean scores across time points. Average scores decreased significantly from baseline to three months (p=.000). While residents continued to show improvement in depression symptoms at the six month time point, the difference between three and six months was not statistically significant (p=.093).



### Patient Health Questionnaire (PHQ-9)

BASELINE Range 0–27	3 MONTH Range 0–24		6 MONTH Range 0–21	
Mean (SD)	Mean (SD)	p	Mean (SD)	p
11.53 (7.39)	7.55 (6.02)	.000*	5.04 (5.17)	.000*

3 MONTH  
Decrease in scores of 20% and higher\*\*



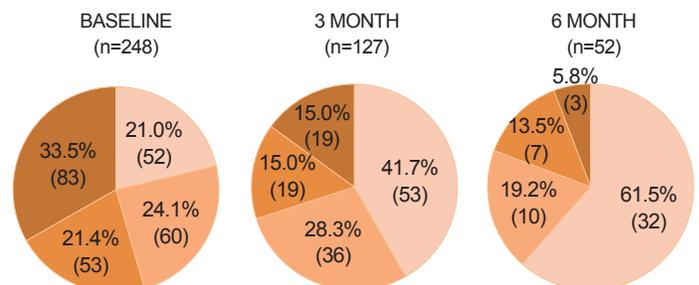
\*\*Clients with baseline score higher than “minimal depression” (n=100)

The GAD-7 is a measure of anxiety with scores ranging from 0–21, with higher scores indicating more severe symptoms. Fort Lyon residents experienced a statistically significant decrease in anxiety symptoms from baseline (mean of 10.83) to three months (mean of 6.98), p=.000. While the decrease in average anxiety scores continued at six months (mean of 4.73), the difference between scores at three and six months was not statistically significant (p=.245). The percent of clients with scores indicating minimal anxiety went up over time, while the percent of clients with scores indicating severe and moderate anxiety went down over time.



### GAD-7 Anxiety

BASELINE Range 0–21	3 MONTH Range 0–21		6 MONTH Range 0–18	
Mean (SD)	Mean (SD)	p	Mean (SD)	p
10.83 (6.59)	6.98 (6.11)	.000*	4.73 (5.42)	.000*



\* Statistically significant at p < .01.

## JOB TRAINING AND EDUCATIONAL PARTICIPATION

### 16 Job Training

#### JOB TRAINING PARTICIPATION



#### EMPLOYMENT MODULES

##### Food Service

Food preparation, serving, cleaning and customer service, and optional food safety class to obtain certificate

##### Transportation

Upkeep of vehicle fleet including oil changes, engine repair and cleaning, and repair and maintenance of bicycle inventory

##### Facilities Maintenance

Painting, drywall repair, sewing and installing window coverings, exterior window screen construction and installation, and plumbing

##### Groundskeeping

Lawn care, tree trimming, irrigation and concrete work

##### Housekeeping

General cleaning, floor maintenance and supply management, and floor buffing class for new residents

##### Office

Office assistance, post office and resident mail management

##### Arts and Education

Art room, computer lab and learning, library, movie projection, museum, and wood shop

##### Agriculture

Maintain a 4-acre garden including ditch irrigation, crops and chicken yard



17 Education

EDUCATION PARTICIPATION



COLLEGE CLASSES ENROLLMENT

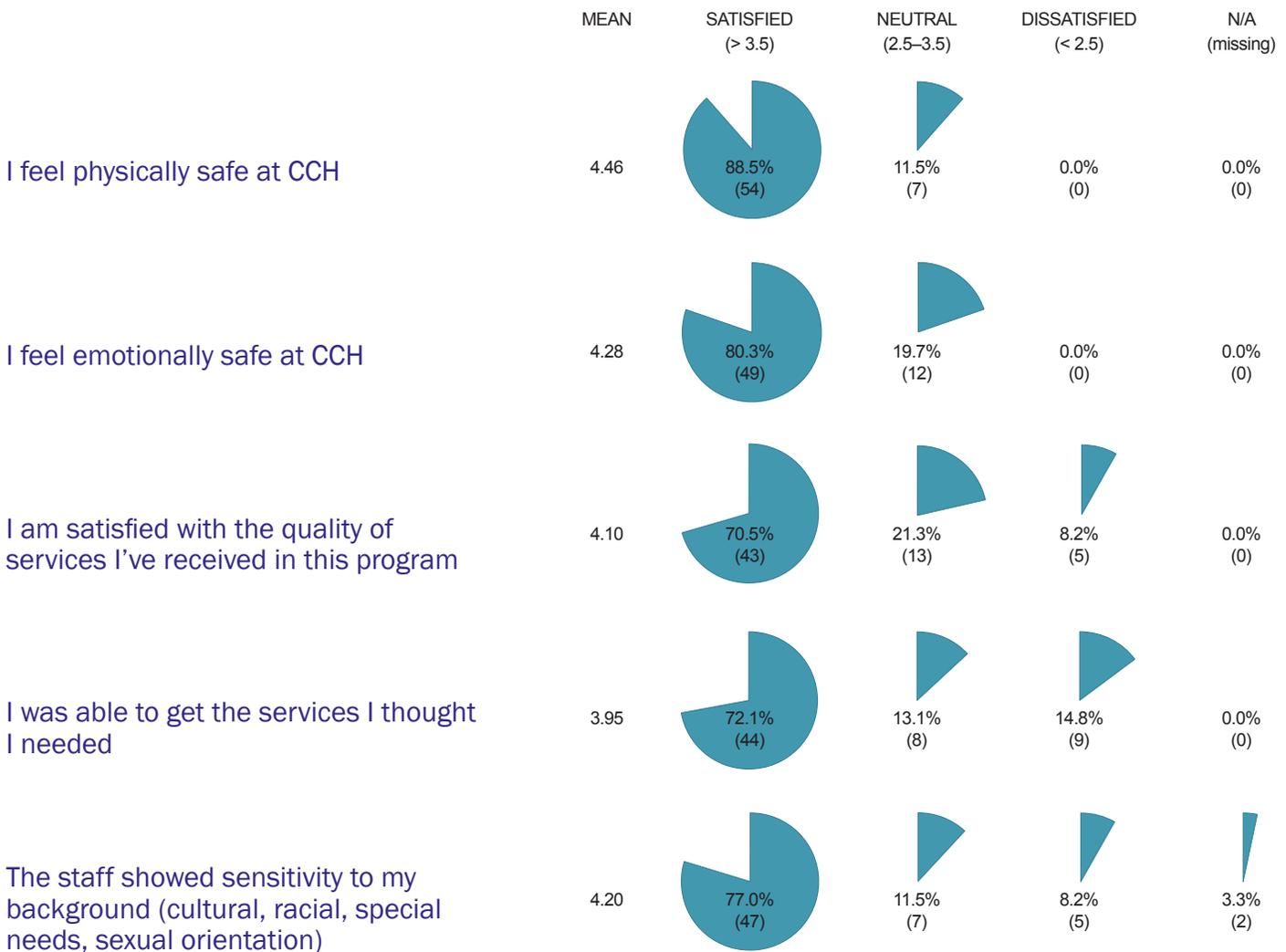
American State and Local Government	1
ASE 161 Engine Repair and Rebuild	1
ASE 162 Automotive Engine Service	1
Automotive Engine Repair	1
Basics of Chronic Disease	5
Behavioral Psychology	1
College 101: The Student Experience	5
College Algebra	1
Community Health Issues	14
Community Health Resources	11
Construction Trades	3
CPR for Professionals	10
Development of Theatre	1
End of Life: Palliative Care	5
English Composition I	22
Historic Preservation	6
Introduction to Business	25
Introduction to Community Health Worker	13
Introduction to PC Applications	45
Manual Drive Train and Axle Maintenance	1
Manual Transmission/Transaxles and Clutches	1
Manual Transmission/Transaxles and Clutches II	1
Math for Liberal Arts	1
Medical Terminology	5
Motivational Interviewing I	4
Patient Navigation	3
Principles of Macro Economics	2
Psychological Impact of Chronic Disease	5
Quantitative Literacy	19
Renewable Energy	3
Studio 121 (Corequisite for English 121)	13
Welding	3
Western Civilization: Antiquity-1650	3



## RESIDENT SATISFACTION SURVEY RESULTS

The Colorado Coalition for the Homeless employs a comprehensive and continuous quality improvement program to enhance its capacity to effectively and efficiently serve homeless individuals and families in Colorado. Consumers of services provide some of the most valuable information about the quality and effectiveness of services. They also provide critical insight into how to improve quality to better meet their needs. The Coalition’s Customer Satisfaction Survey asked residents of the Fort Lyon Program to rate their level of agreement with 10 statements using a five-point Likert scale (5 = strongly agree; 1 = strongly disagree). Derived from the Mental Health Statistics Improvement Program Consumer Survey, these items assess consumer perceptions about the appropriateness of services, the quality of services, their participation in treatment, and outcomes they have experienced.

### 18 Satisfaction Survey Results



\* n=61

Satisfaction Survey Results (cont'd)

	MEAN	SATISFIED (> 3.5)	NEUTRAL (2.5-3.5)	DISSATISFIED (< 2.5)	N/A (missing)
The staff treated me with respect and dignity	4.21	80.3% (49)	8.2% (5)	11.5% (7)	0.0% (0)
The staff had the knowledge and ability to help me	3.90	70.5% (43)	16.4% (10)	13.1% (8)	0.0% (0)
The resources/information provided to me by this program were helpful/useful	4.08	75.4% (46)	13.1% (8)	9.9% (6)	1.6% (1)
I was involved in the development of my own treatment goals	4.38	85.2% (52)	9.9% (6)	3.3% (2)	1.6% (1)
The services I've received have helped me deal more effectively with my problems	4.20	78.7% (48)	6.5% (4)	11.5% (7)	3.3% (2)

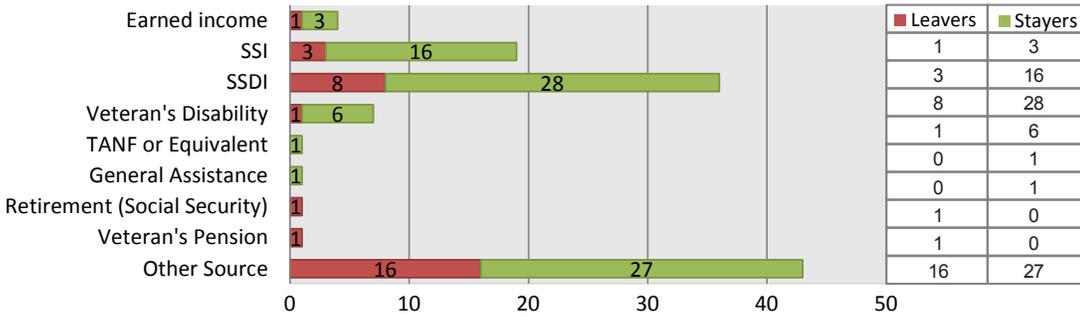


\* n=61

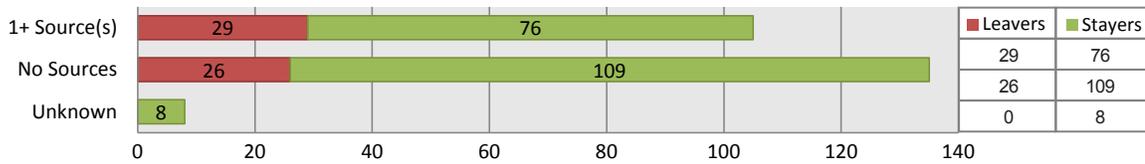
## INCOME/BENEFITS SOURCES

### 19 Cash Income Sources

#### Type of Cash Income Sources

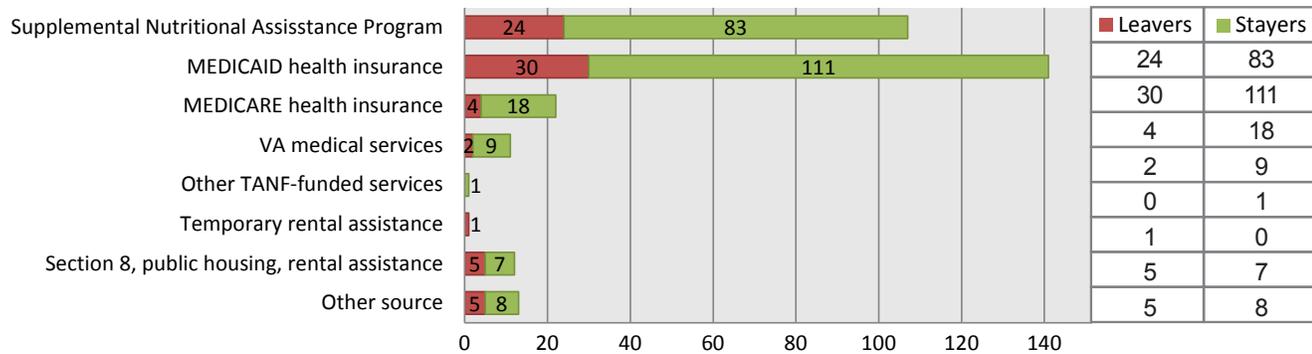


#### Number of Cash Income Sources

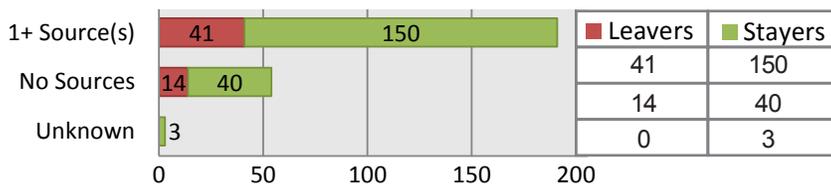


### 20 Non-Cash Benefit Sources

#### Type of Non-Cash Benefit Sources



#### Number of Non-Cash Benefit Sources



## FROM THE RESIDENTS



### Deanie

I'm very grateful to the Coalition. This has given me the safety that, at this point, I don't wish to go have a drink; I don't need it. I'm okay with being sober. And, the fact that I can go to school and actually learn—that amazes me. I never thought that I had the capability of working and going to school. But having a place to lay my head down, knowing I'm not going to go hungry, knowing that it's okay, I won't get hurt, that's been the hugest thing. If I did not have that stability, I never would have been able to stay sober or able to see that there's a future.



### Darrell

I started a barber shop here—I'm pretty close to 700 haircuts that I've done here. And I've got two semesters of college in. I've done the computer college course; I've done the business college course. Yeah, I'm proud of what I did and now I've got a future. I've got plans for when I leave. I want to get signed up for a barber school before I leave here. Alcohol was killing me and Fort Lyon saved my life.



### Brian

I'm enrolled in school. I'm going to Lamar College. I'm studying renewable energies—how to install them and do energy audits at homes. So maybe working for a power company eventually, and then, maybe contracting myself. And, I thank this place. I think God led me here and I'm doing well. Everything that they say—recovery, work, and educational collaborative—is what makes it work. I'm really grateful for life and look forward to the future.



### John

That staff I can't say enough of because they care about you. I find this place very spiritual, very peaceful. I'm studying to be a Health Care Worker (HCW). I'd like to work with Hispanic populations since I'm bilingual. I'm going to finish the HCW here and I still need two semesters. Then I'll go back to Denver and do probably another two years of Chicano studies. Those are my goals.

## FROM THE RESIDENTS



### Buck

The longer I'm staying sober the more, the easier it is. I can deal with life easier. Deal with stuff instead of running to get a drink and that. And, I'm actually employed through Bent County right now, so I actually have a paying job. Yeah, I'm happy.



### Bart

I've been on the street all my life until I met the Coalition. Fort Lyon has changed me big time. My thinking's changed. There's days if nobody mentions alcohol, then I don't even think of it. That's how much my thinking's changed. Yeah, after a whole life of drugs and alcohol.

### Anthony

I'm in my third semester of college and I've done a year of recovery so it's going real well. It never crossed my mind that I would be in school and doing recovery, because I was still in active addiction. And I kinda hit rock bottom there, and it's a good thing that this place came along. It basically saved my life, along with the fellowship of AA. It's a lot easier to recover here than it would be anywhere else. It's basically client-based and the program is recovery, education, and employment. You know, it's putting people back in their communities with some sort of foundation that they didn't have when they came in here.



### Dennis

It feels good; it feels nice to wake up in the morning after an eight-hour sleep to think clearly. And to know that I don't have to do dope today. And that was the biggest thing this place was to me was recovery. It kinda clicked and so I work on my own program, I do the AA, NA; I've got a sponsor. I'm working through my steps. I'm very comfortable in my sobriety right now. It's a good program.

## FROM THE RESIDENTS



### Heidi

My name is Heidi, and I am a proud resident of Fort Lyon Residential Supportive Community. I can hardly express the thankfulness and never ending gratitude that I have for this place. After twenty-three years of addiction, homelessness, trauma, and tragedy, what was next was certain death. Not only am I alive, but I am actually living now. The first thing that I was given upon my arrival was compassion, genuine care and concern for my life. The next thing was a safe place in which I was able to “finally rest.” After the first community meeting, I realized I was actually going to be getting my dignity back. Wow! I did not see that coming; that or my self-respect, which I found in working and interacting with other people just like me, striving to be well. One of my favorite quotes, “we all come with baggage, find someone who cares enough to help you unpack.” Well, I thank God for his love, grace, and mercy on my life because I found an entire community. I evidently was not quite able to handle some of the deep-seeded stuff I had been carrying around; I had to be re-booted, not once but twice. I was then sent away on a 30-day retreat which involved intensive care, coupled with rigorous honesty. Thank goodness I have a whole new perspective and life is amazing. Before my feet even hit the floor, I thank God every day for this place, the powers that be, and everyone here. They not only help to keep me sober, but now life really is worth living.



### Howard

I am here not because I was forced to, but because I wanted to be. I thought that it was going to be like any other program that I have seen or heard about, it is not. The support system has allowed me to do something that nobody else in my family has, go to college. I am acing all my classes and am looking forward to next semester. I could not have done this at any other program. The structure has given me the time to get clean, and learn how to live clean on my own. I know the traditional statistics say that a lasting recovery are not in my favor, I feel like I can ignore them since I don't think that they apply to a program like Fort Lyon. Fort Lyon will give me an advantage when I leave here that no other rehab that I have been to has ever done.



### Tim

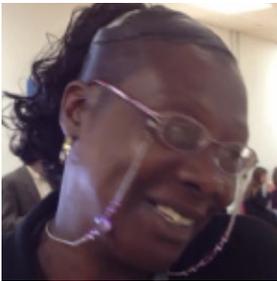
Since coming to Fort Lyon, I can now say I have a plan and goal in life. It has given me a chance to change my life around. Before I entered Fort Lyon I had no desire to change my life around. I can now look forward to the future and to be successful. I just want to thank Fort Lyon and all the staff for being so helpful.

## FROM THE RESIDENTS



### Leonard

I am a resident here at Fort Lyon. Since my stay here, the staff has been exceptional in helping me with my substance abuse and mental health issues. I am a veteran and I am pleased with all the opportunities Fort Lyon has to offer: schooling and meetings. I can see a great future here for helping homeless and veterans alike.



### Julia

My name is Julia Ann Roberts. I arrived at Fort Lyon January the 30th. Fort Lyon is really a blessing for me. You know, I never thought within myself that I can do a program and be successful at it, but this place has showed me a better life, a new beginning, and a new me. And I love that. I love it. I wouldn't trade this right now for nothing, for nothing in the world. If I could stay here forever, I would be okay with it because this place has really, really helped me a lot. It really has. And I've got a little fear of going back where I came from, because that's where I've been all my life, you know, and change is hard, but you can do it if that's what you really want. That's all I'm going to say.



### Deborah

My name is Deborah Smith. I'm originally from Boulder, as was my mother and my grandmother... And I lived in Boulder, I graduated from Boulder High in 1975 and I started smoking pot when I was 13 years old. I didn't start drinking alcohol until I was 18 but then I got in to it and I started drinking a lot and I quit when I had my babies and just seemed to get worse after my babies. And then when they grew up and went to college I started really drinking and I didn't think I could have fun without drinking- or everybody I knew drank and that was just the way to go. And now I'm 57 and I've tried to sober up before and it just didn't seem to last. So I heard about Fort Lyon through my case worker there in Fort Collins and I was so glad that she told me about this place, I think it's a blessing for me to have found this place, to finally be on my way to freedom from alcohol.



### Delora

Hi, my name is Delora Craft and I'm from Montrose, Colorado. And I came here and I weighed 120 pounds. And I had no family, no friends, not one person I could call. My lady in Montrose showed me what this place was, got me set up. I got here, since then I have taken my GED, I am painting full time. I have faith now; I have a reason to stay sober. I am three months, almost four months sober right now. I have a lot of support, the staff as well as my fellow members. These people save lives- they gave me an opportunity to get out of survival mode and get in to a place where I could take care of myself and do the things that I needed to do.

## FROM THE RESIDENTS



### Chris

My name is Chris Hilton. I got here October 8 of last year. I've been in many programs—I'm a veteran of the streets as well as a veteran. And the freedom here, the being treated like an adult, the relationships amongst the staff that is so open, all the way up to the director, the doors are open if we have something we want to talk about. I'm talking for the first time in my life. I just know that for the first time in my life, I've slowed down. My job before this was to get drunk, and that was a job in itself. My job today is to work on Chris. I'm not going to detoxes today. I was a frequent flyer of Denver Cares Detox. The tools are here at my feet, what I pick up is what I'm going to use. I cannot describe what's happening here, but it's definitely positive. I'm not on the street. I've got a little place I call home, I can go in there, and I'm making it comfortable, it's my little domain. I wake up and I don't think I can even show enough gratitude to the people here for what this has done for me. But what I'm really excited about is the community health worker class I'm taking which is a certificate program through the junior college, where I'll actually be on campus there—and I'm going to, I'm definitely staying till that's done, till I get that. I know I've only got today, but my plans down the road as far as that's concerned are to complete that.



### Rhonda

My name is Rhonda Rocene Sanders. I was born in 1969, started my addiction when I was about 15 and smoking cigarettes, which was a real bad habit I'm still trying to get rid of. And I couldn't stop using on my own, I've tried going to rehab a few times, couldn't get clean and sober, it just didn't last, wasn't enough for me. Today I have freedom, I can be- I'll have five months clean tomorrow. Which is a blessing, and Fort Lyon is a place of miracles, gave me a second chance. I've been here in September, and I left after six days, and they let me come back in October. I've been here since October 31, on Halloween. I have now grown a whole lot. This place has helped me to grow up and find myself, be who I am. And they've accepted me for who I am and I love this place and it's a blessing for everyone.



### Marty

Hi, my name is Marty L. and I'm grateful to be here. It's been a big turnaround for me. I was homeless, living on the streets in the throes of my aggressive disease of alcoholism and this has given me a sense of purpose, some hope. I was in to a deep dark despair. But I'm turning my life around and I'm hopeful for the future. I'm going to college now at this time and see great things in the future. And I'm happy to be here and thankful. Thank you.



## EXECUTIVE SUMMARY

The Fort Lyon Supportive Residential Community provides transitional housing and supportive services to homeless individuals from across Colorado, with an emphasis on serving homeless Veterans. The Fort Lyon campus is situated on over 520 acres in rural Bent County and is representative of joint efforts to re-purpose the facility, stimulate the local economy and offer a supportive environment to homeless individuals.

In the two years since its inception, Fort Lyon has served 500 individuals. In the last year, Fort Lyon has served 363 people, 93 of those being Veterans. Through education, vocation, case management, and recovery-oriented peer support, Fort Lyon retains on average 93% of residents per month. Fort Lyon residents represent the entire state of Colorado, with large populations coming from Denver, El Paso, Larimer, Mesa and Weld counties. The average resident exiting the program stayed engaged in services at Fort Lyon for over 6 months, increasing their odds of obtaining long-term sobriety.<sup>1</sup>

Last year alone, 135 people participated in education, either through our GED preparation program or by taking classes at Otero Junior College or Lamar Community College. Sixty percent, or 219 people, participated in vocational modules on campus, which help to improve and maintain the campus as well as provide residents with valuable work experience. A large majority of residents actively participated in Recovery-oriented services such as New Beginnings Drug and Alcohol Education, Relapse Prevention, Alcoholics/Narcotics Anonymous, and Community Meeting.

The average Fort Lyon resident arrives on campus with no cash income and multiple, untreated health conditions after experiencing homelessness for over a year. Fifty-nine percent of residents leave Fort Lyon for permanent or transitional destinations, with more than one-third securing permanent housing.

The following report details program information from the last year, including total resident and retention numbers, demographics, program participation, history of homelessness, income, health, and discharges.

<sup>1</sup> Broome, K., Flynn, P., & Simpson, D. (1999). Psychiatric Comorbidity Measures as Predictors of Retention in Drug Abuse Treatment Programs. *HSR: Health Services Research*, 34(3), 791-806.

## EXECUTIVE SUMMARY

### Key Findings:

#### Population Overview

- 363 residents served, September 2014–August 2015
- 93% average monthly retention rate
- 91% of residents were homeless 12 months or more prior to entering the program
- 33% exited to a permanent destination

#### Resident Characteristics

- 26% of residents served are Veterans
- 20% of residents served are female
- 56% enter the program with three or more known health conditions

#### Income/Benefits Sources

- 74% have one or more cash income source at exit

#### Job Training and Education

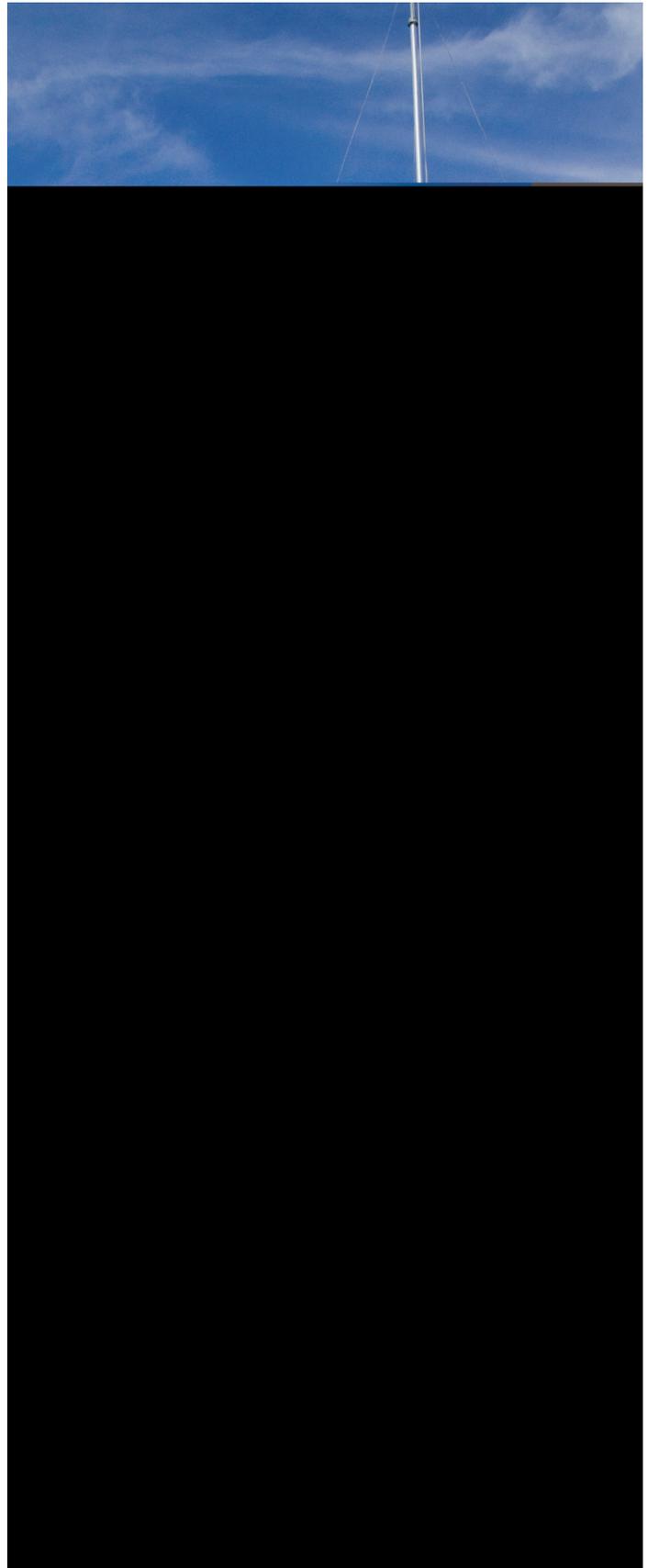
- 60% participate in job training opportunities
- 37% participate in educational opportunities

#### Health Outcomes

- Residents reported improvement across all health categories
- Quality of life scores improved by 45.2% from entry to exit.
- Depression scores decreased (improved) by 54.6% from entry to one month after exit.
- Generalized anxiety scores decreased (improved) by 60.4% from entry to one month after exit.
- Environmental quality of life scores improved by 65.4% from entry to one month after exit, exceeding the norm by 5.7 points

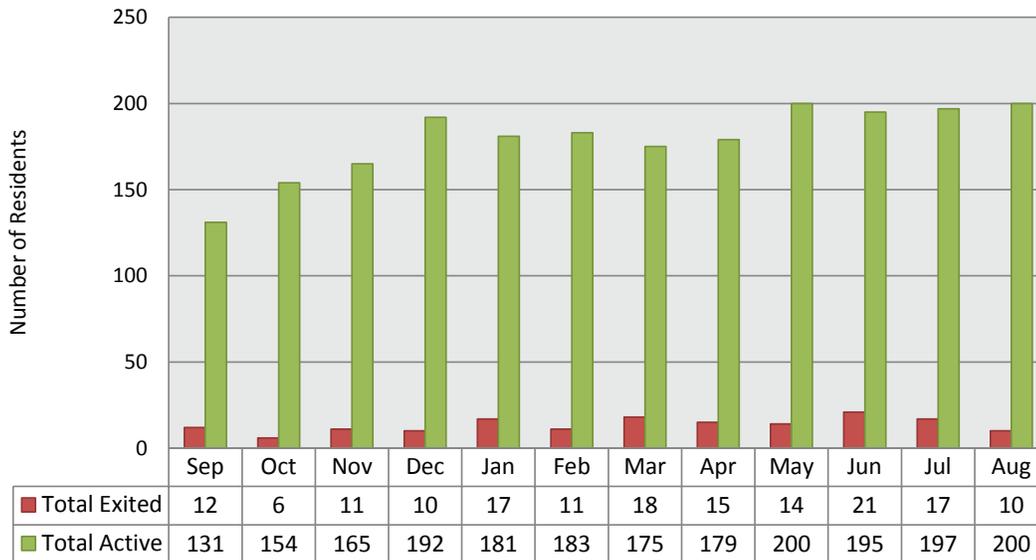
#### Residents' Satisfaction

- 98% of residents surveyed agreed that the services they received help them deal more effectively with their problems.



## POPULATION OVERVIEW

### 1 Total Residents



**93%**

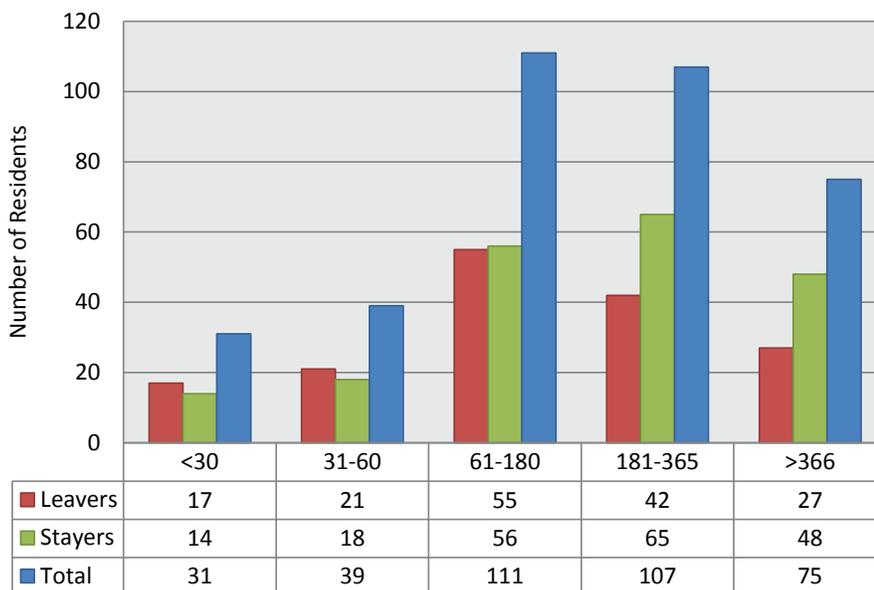
average monthly retention rate

**363**

total served by the program

### 2 Length of Residency

Length of stay, or residency, in programs like Fort Lyon is an indicator of improved health outcomes after discharge. Of the 162 residents who left the Fort Lyon program in 2014–2015, 69 individuals, or 42.6%, remained in the program for six months or longer. When compared to a study of a similarly-modeled program serving homeless adult men that reported 34% of participants stayed in the program six months or longer, Fort Lyon retained 25% more clients for at least six months.<sup>1</sup>

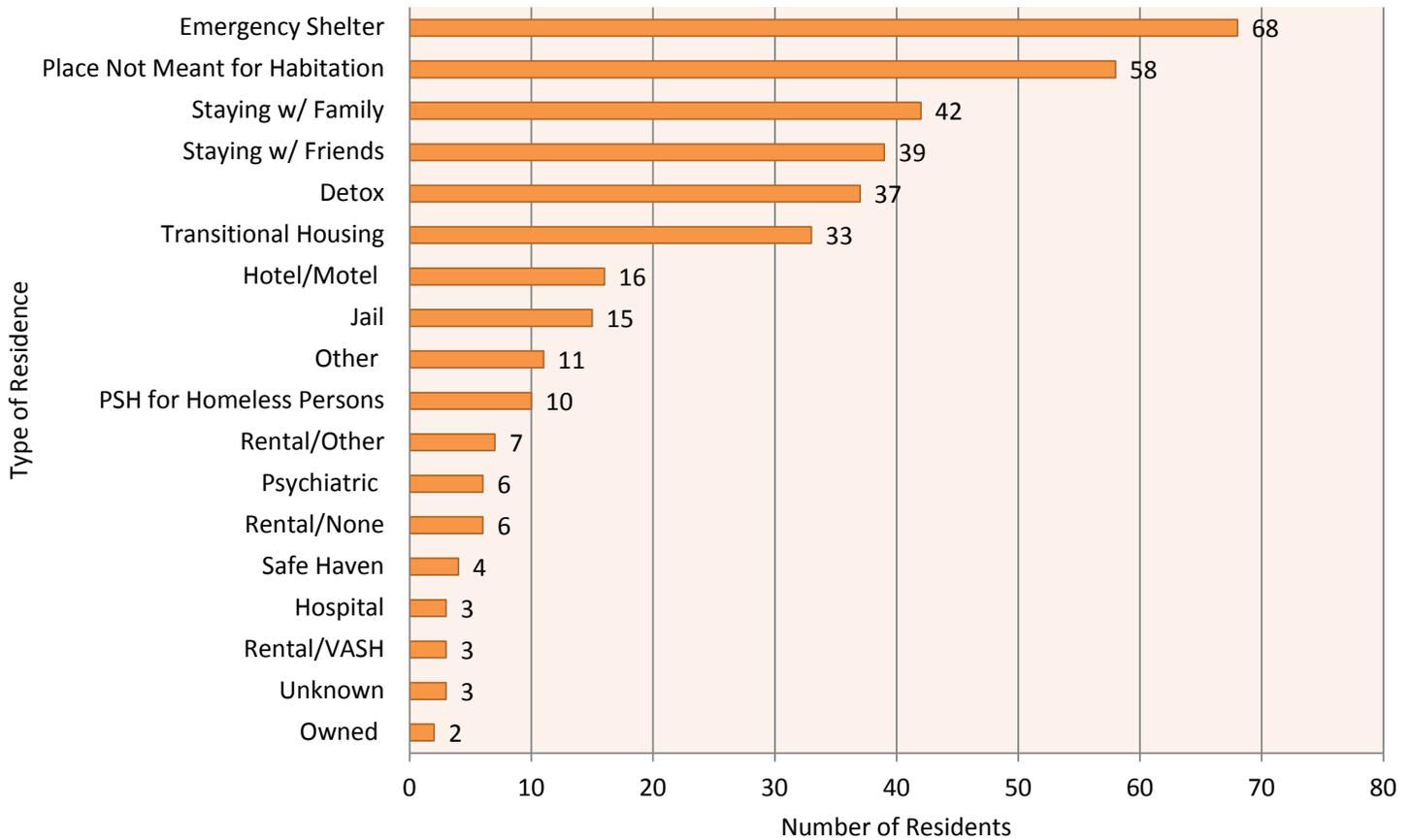


**6 months**

average time residents exiting the program stayed engaged in services

<sup>1</sup> Mierlak, D., Galanter, M., Spivack, N., Dermatis, H., Jurewicz, E., & De Leon, G. (1998). Modified Therapeutic Community Treatment for Homeless Dually Diagnosed Men. *Journal of Substance Abuse Treatment*, 117-121.

### 3 Residence Prior to Entry



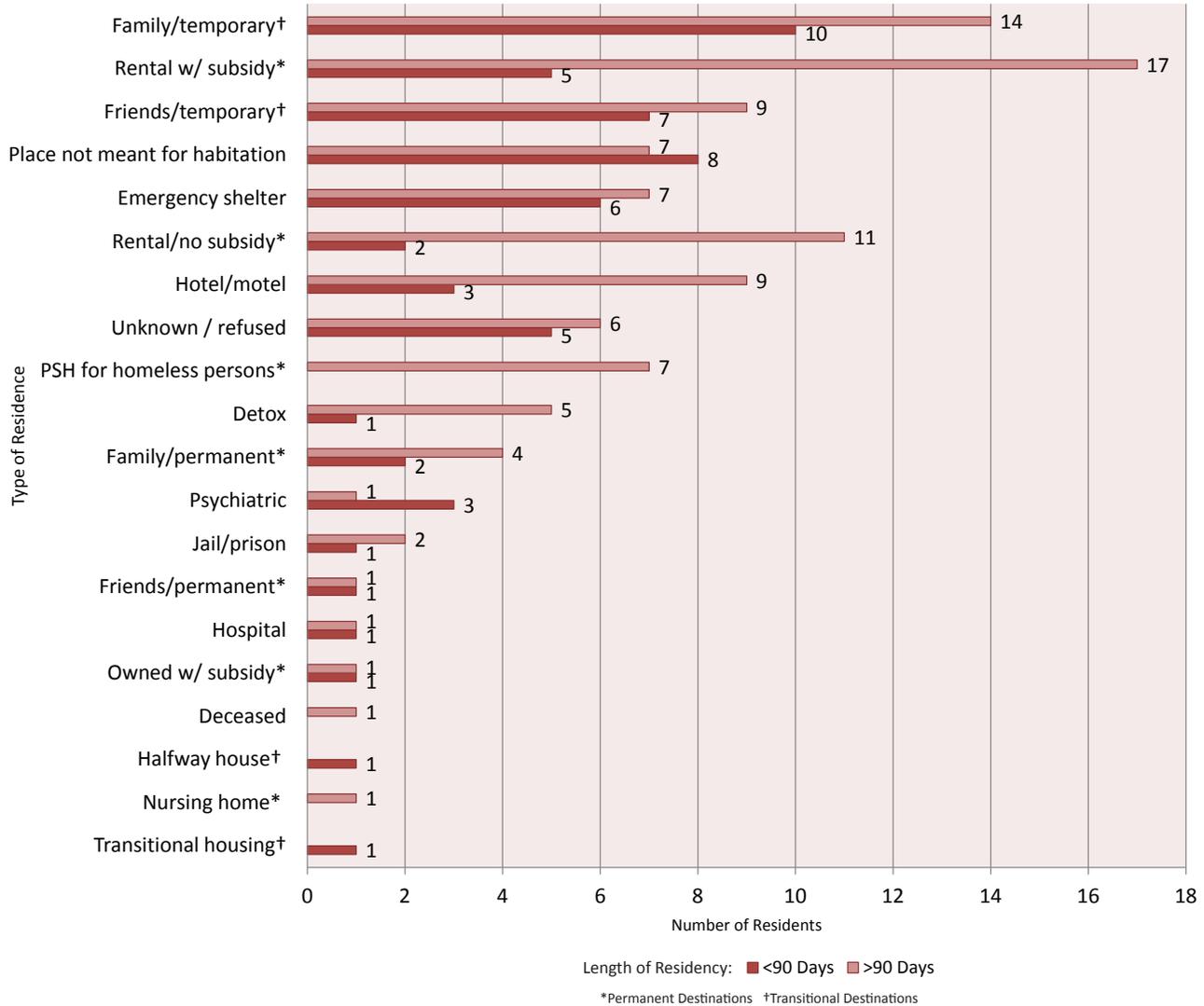
### 4 Length of Homelessness Prior to Entry

**91%**

of residents were homeless for 12 months or more prior to entry

5 Destination at Program Exit

Destination at Program Exit



Resident Exits to Permanent or Transitional Destinations

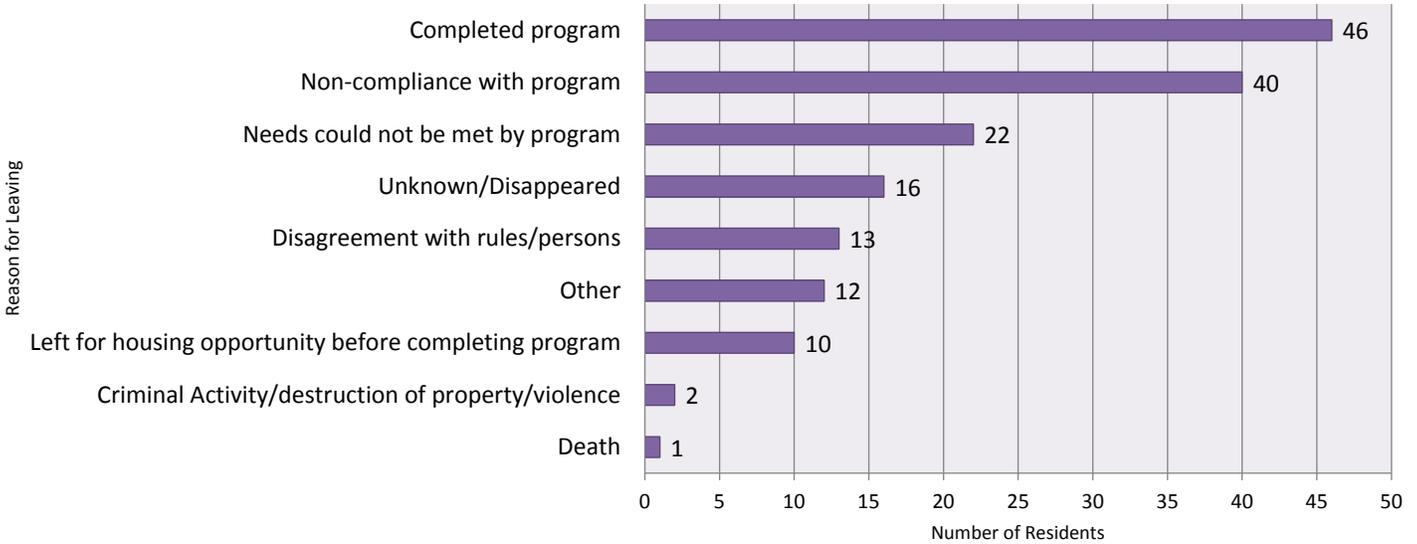
**1 in 3**

residents exited to a permanent destination

**1 in 4**

residents exited to a transitional destination

## 6 Residents' Exits: Reasons for Leaving



**56**

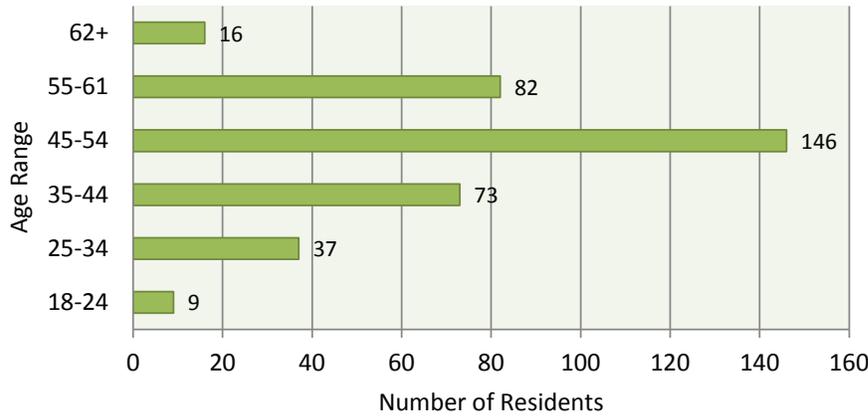
residents completed the program or left for housing opportunity

**35%**

of residents completed the program or left for housing opportunity

## RESIDENT CHARACTERISTICS

### 7 Age



**67%**  
of residents served are age 45 or older

### 8 Gender



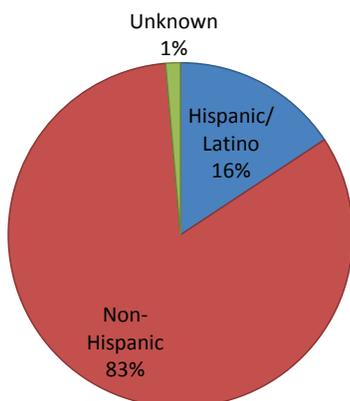
**80%**  
of residents served are male (292 men)



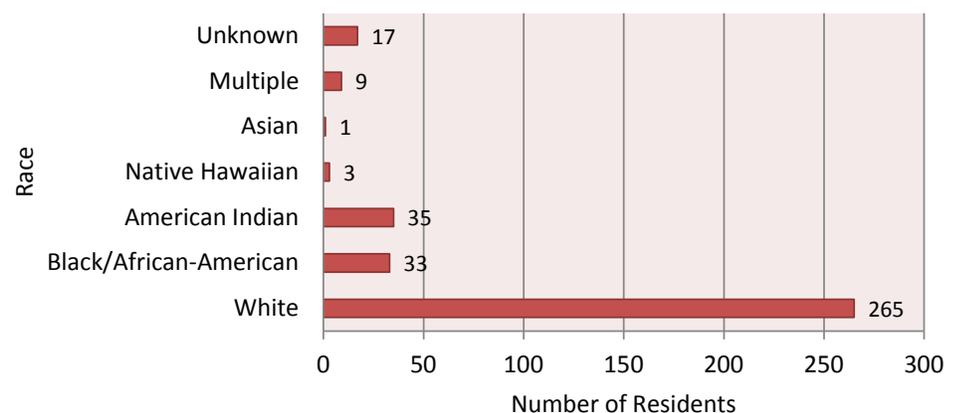
**20%**  
of residents served are female (71 women)

### 9 Ethnicity and Race

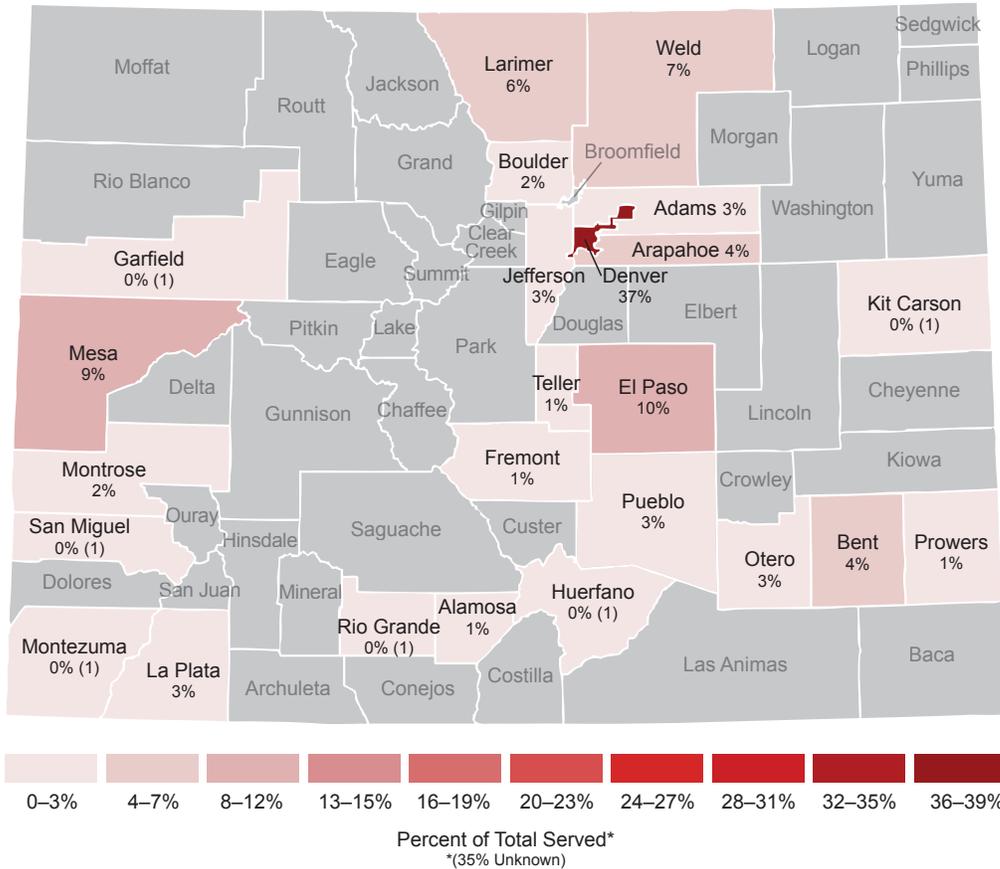
#### ETHNICITY



#### RACE



10 County of Origin



**24**  
counties represented  
among residents

**38%**  
of Colorado counties  
represented among residents

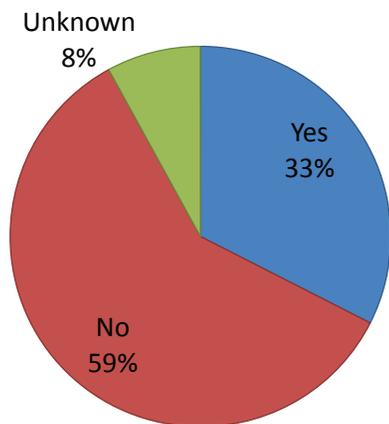
## 11 Veterans



# 26%

of residents served  
are Veterans (56 Veterans)

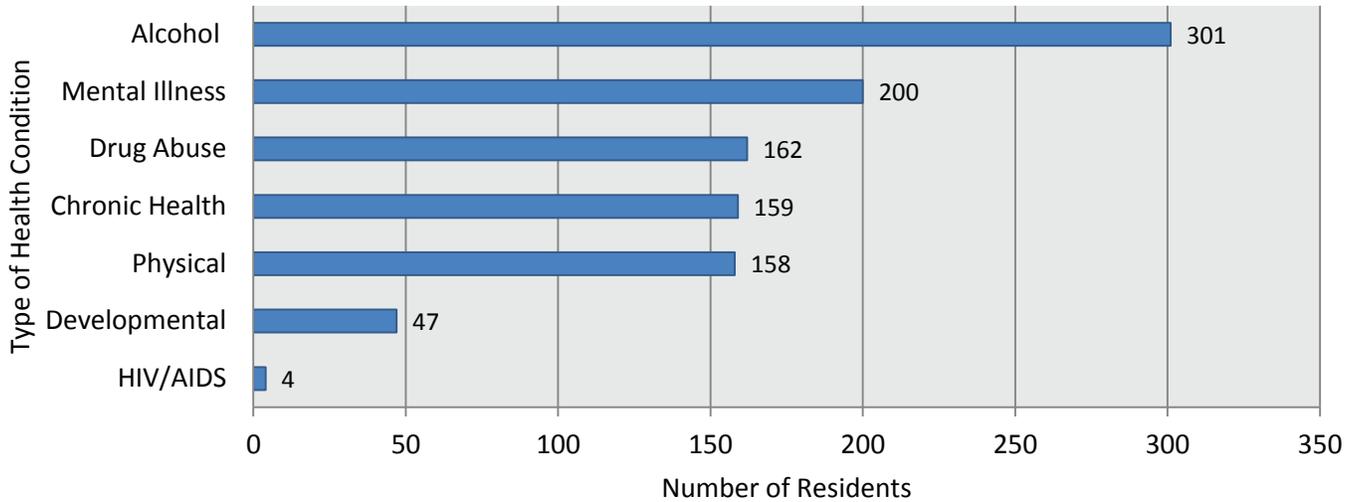
## 12 Domestic Violence Experience



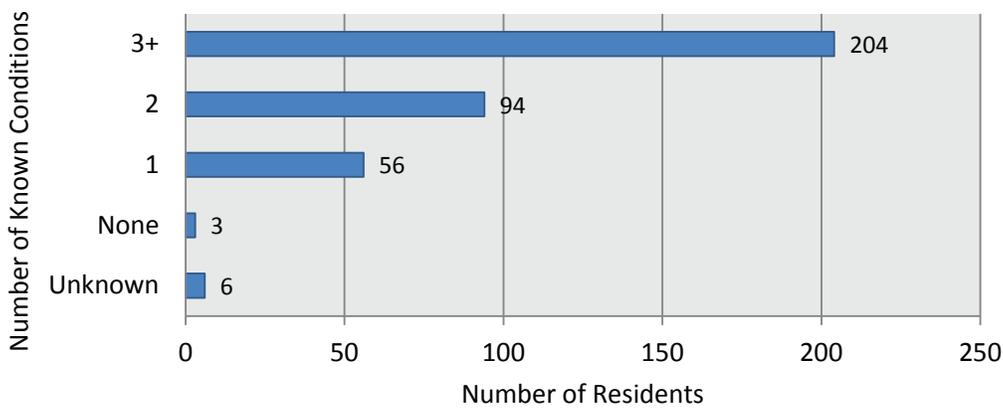
NOTE: Victims of domestic violence struggle to find permanent housing after fleeing abusive relationships. Many have left in the middle of the night, with nothing but the clothes on their backs, and must now entirely rebuild their lives.

### 13 Physical and Mental Health Conditions at Entry

#### Known Conditions at Entry



#### Number of Known Conditions at Entry



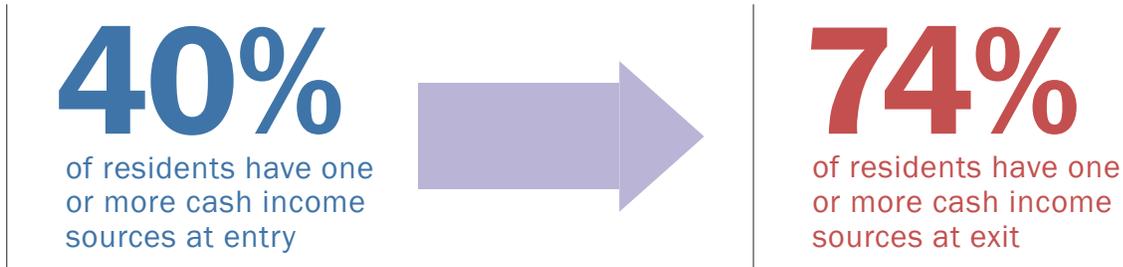
**56%**  
of residents enter with 3 or more health conditions

## INCOME/BENEFITS SOURCES

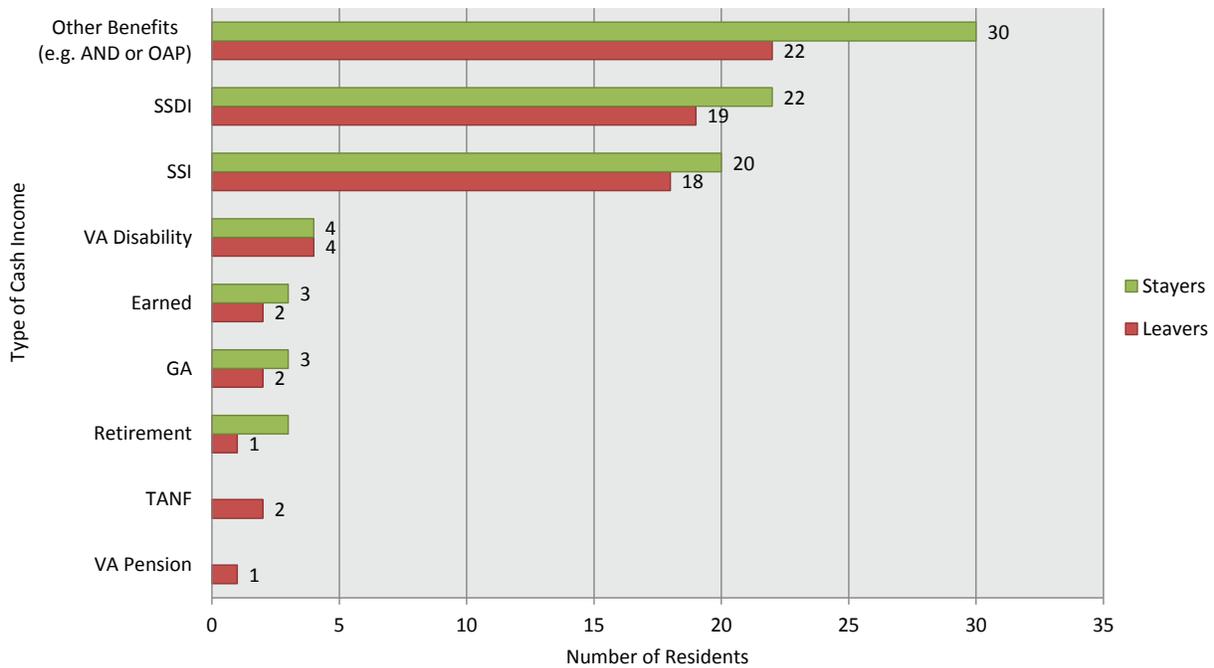
### 14 Cash Income Sources

Residents with Cash Income at Entry

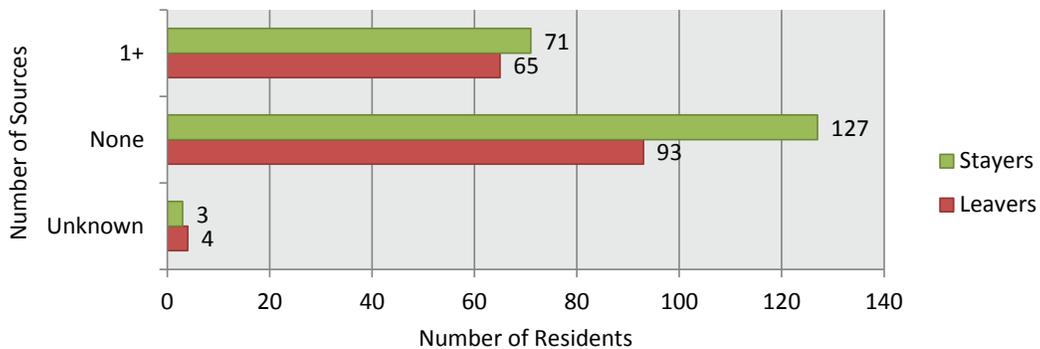
Residents with Cash Income at Exit



### Type of Cash Income Sources

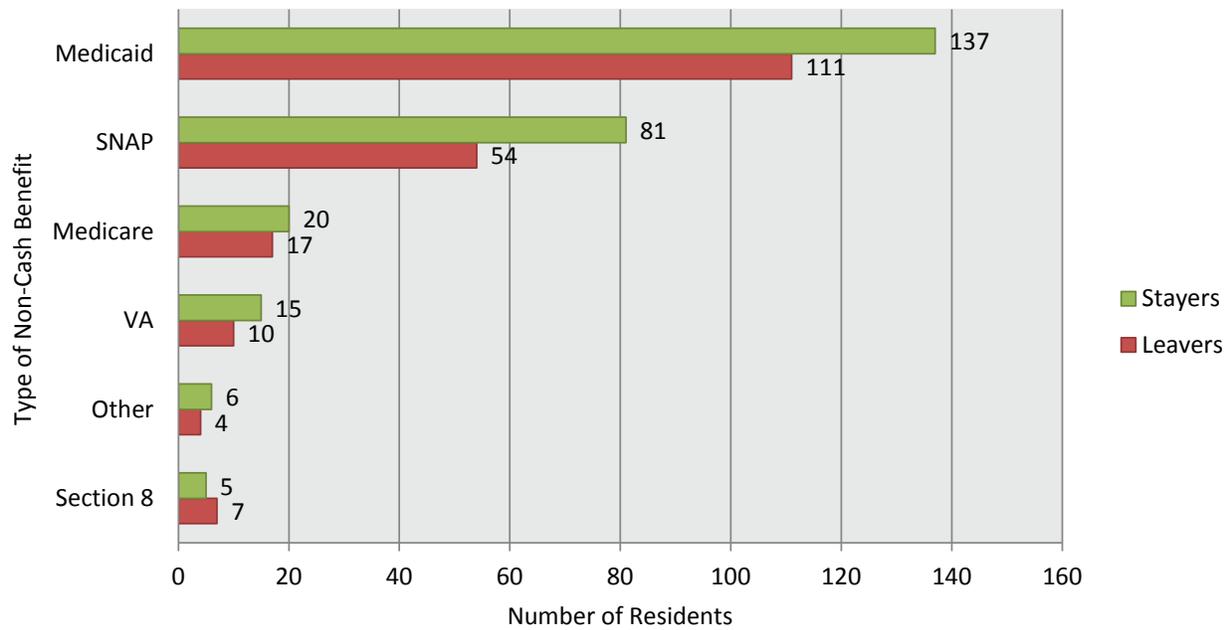


### Number of Cash Income Sources

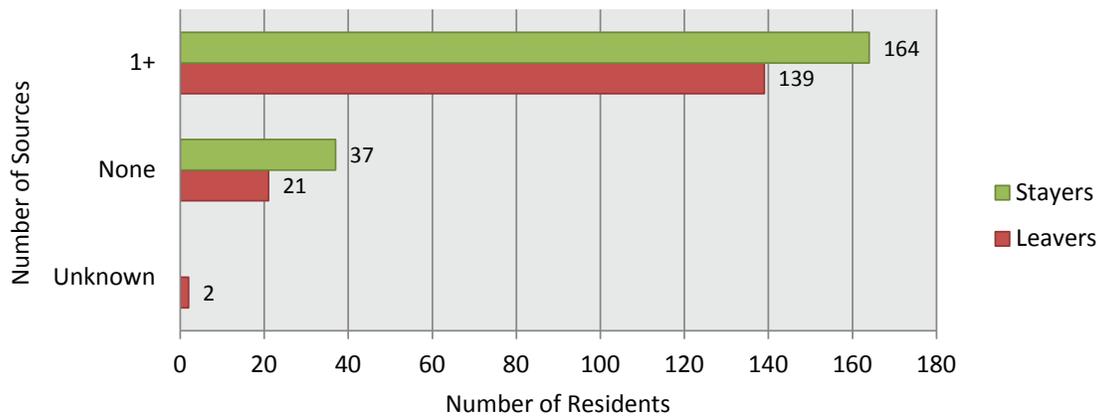


## 15 Non-Cash Benefit Sources

### Type of Non-Cash Benefit Sources



### Number of Non-Cash Benefit Sources



## JOB TRAINING AND EDUCATIONAL PARTICIPATION

### 16 Job Training and Education

#### Residents Participating in Job Training

**219**  
participants  
in job training

**60%**  
of residents participate  
in job training opportunities

#### Residents Participating in Higher Education

**105**  
participants  
in higher education

**29%**  
of residents participate in  
higher education opportunities

#### Residents Participating in GED Preparation

**30**  
participants  
in GED preparation

**8%**  
of residents participate  
in GED preparation

## HEALTH OUTCOMES

### 17 Health Outcomes from Entry to Exit

The average Fort Lyon client enters the program as homeless and substance addicted, making the consideration of overall quality of life highly relevant because, “Active substance abuse affects nearly all areas of functioning-vocational, social/familial, physical and mental health, residential status, and access to services.”<sup>1</sup> Fort Lyon residents reported improvement across all quality of life areas, as well as improvement in their depression and generalized anxiety disorder symptoms. Data is collected when clients enter the program, at intervals throughout their residency and at program exit when available. The following areas were evaluated and their outcomes are reported below:

- Overall Quality of Life Score
- Physical Health Score
- Psychological Health Score
- Social Relationships Score
- Environmental Quality of Life Score
- Depression Score
- Generalized Anxiety Disorder Score
- Health Outcomes One Month after Exiting the Program

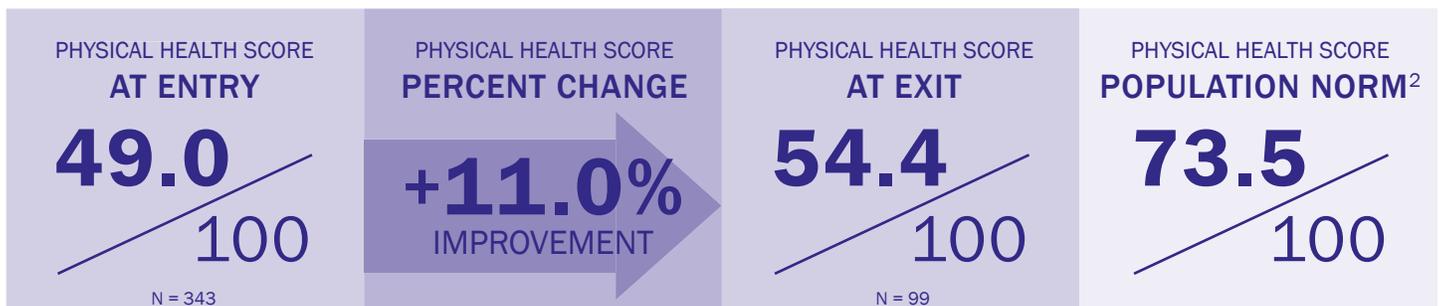
#### Overall Quality of Life Score

Residents rate their overall quality of life by answering the question, “How would you rate your quality of life?” Scores are tallied on a 5-point scale. **Quality of life scores increased (improved) by 45.2% from entry to exit.**



#### Physical Health Score

Residents rate their physical health by answering questions regarding pain, energy level, mobility, sleep and their ability to work. Scores are tallied on a 100-point scale. **Physical health scores increased (improved) by 11.0% from entry to exit.**



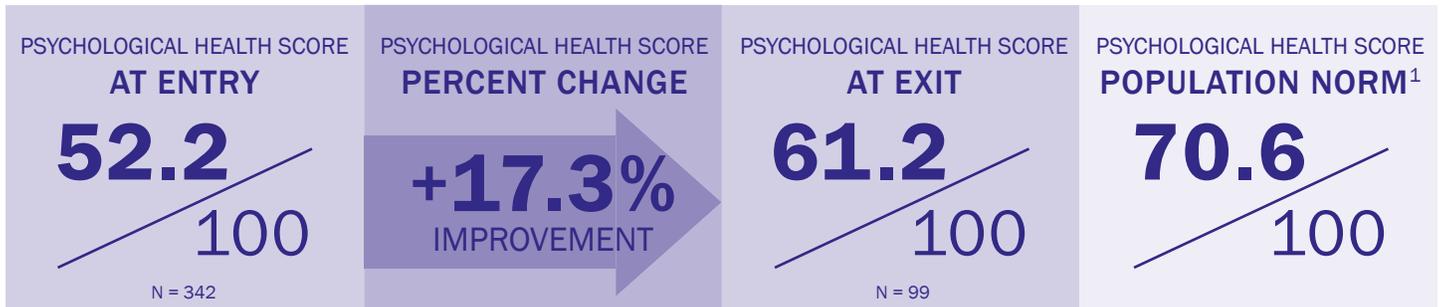
1 Laudet, A. (2011). The Case for Considering Quality of Life in Addiction Research. *Addiction Science & Clinical Practice*, 6 (1), 44-55.

2 Hawthorne, G., Herrman, H., & Murphy, B (2006). Interpreting the WHOQOL-Bref: Preliminary Population Norms and Effect Sizes. *Social Indicators Research*, 77 (1), 37-59.

## Health Outcomes (cont'd)

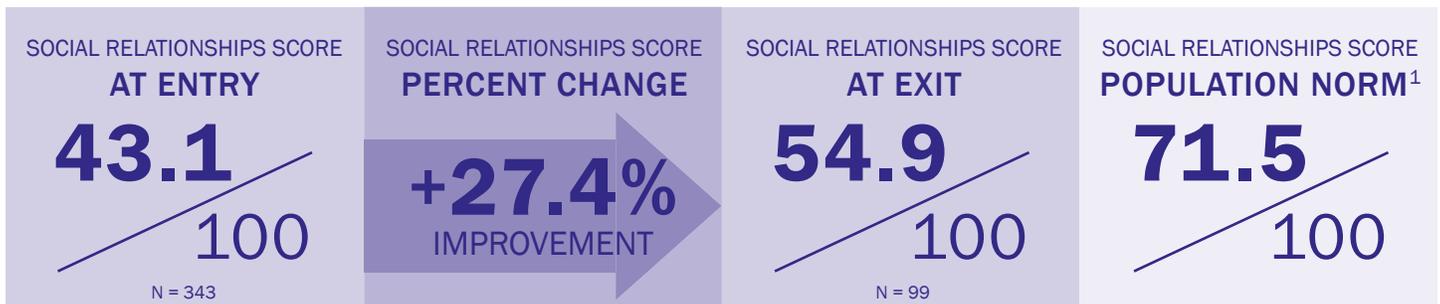
### Psychological Health Score

Residents' psychological health is measured by asking questions regarding their self-esteem, body image, spirituality and presence of positive and negative feelings. Scores are tallied on a 100-point scale. **Psychological health scores increased (improved) by 17.3% from entry to exit.**



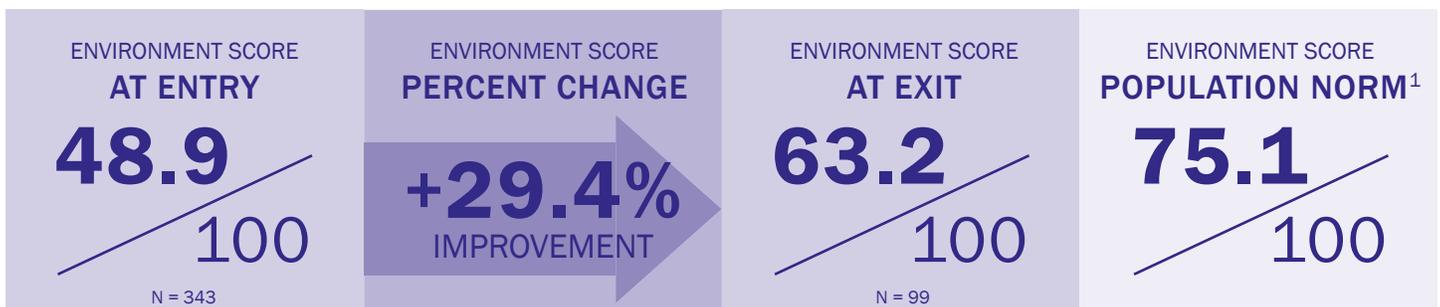
### Social Relationships Score

Social relationships are measured by asking clients about their social support network, personal relationships and sex life. Scores are tallied on a 100-point scale. **Social relationships scores increased (improved) by 27.4% from entry to exit.**



### Environmental Quality of Life Score

Environment scores are measured by looking at a variety of aspects that affect overall quality of life, such as safety and security, finance, leisure, transportation and physical environment. Scores are tallied on a 100-point scale. **Environment scores increased (improved) by 29.4% from entry to exit.**

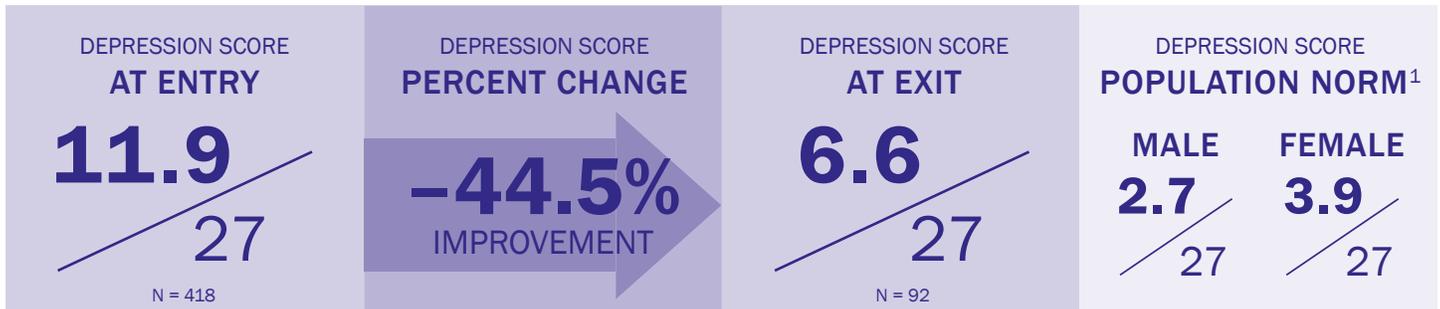


1 Hawthorne, G., Herrman, H., & Murphy, B (2006). Interpreting the WHOQOL-Bref: Preliminary Population Norms and Effect Sizes. Social Indicators Research, 77 (1), 37-59.

## Health Outcomes (cont'd)

### Depression Score (PHQ-9)

Depression scores are measured by asking clients about the prevalence of nine depression symptoms, such as suicidal ideation, the ability to sleep, concentrate, and appetite. Scores are tallied on a 27-point scale, with higher scores indicating a higher severity of symptoms. **Depression scores decreased (improved) by 44.5% from entry to exit.**



### Generalized Anxiety Disorder Score (GAD-7)

Generalized anxiety scores are measured by asking clients about the prevalence of seven anxiety symptoms, such as becoming easily annoyed, feeling afraid, restlessness and worrying. Scores are tallied on a 21-point scale, with higher scores indicating a higher severity of symptoms. **Generalized anxiety scores decreased (improved) by 33.3% from entry to exit.**



1 Thibodeau, M., & Asmundson, G. (2014). The PHQ-9 assesses depression similarly in men and women from the general population. *Personality and Individual Differences*, 56, 149-153.

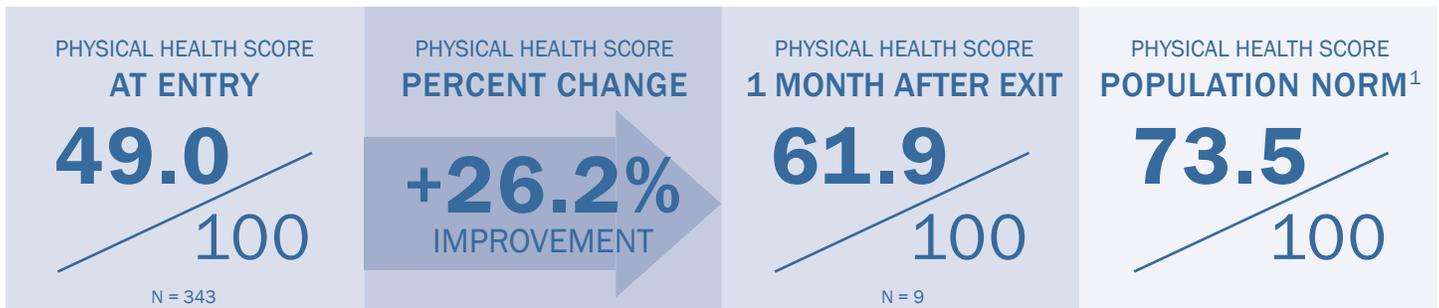
2 Spitzer, R., Kroenke, K., Williams, J., & Lowe, B. (2006). A Brief Measure for Assessing Generalized Anxiety Disorder. *Arch Intern Med.*, 166(10), 1092-1097.

Health Outcomes from Entry to One Month after Exiting the Program

HEALTH OUTCOMES ONE MONTH AFTER EXITING THE PROGRAM

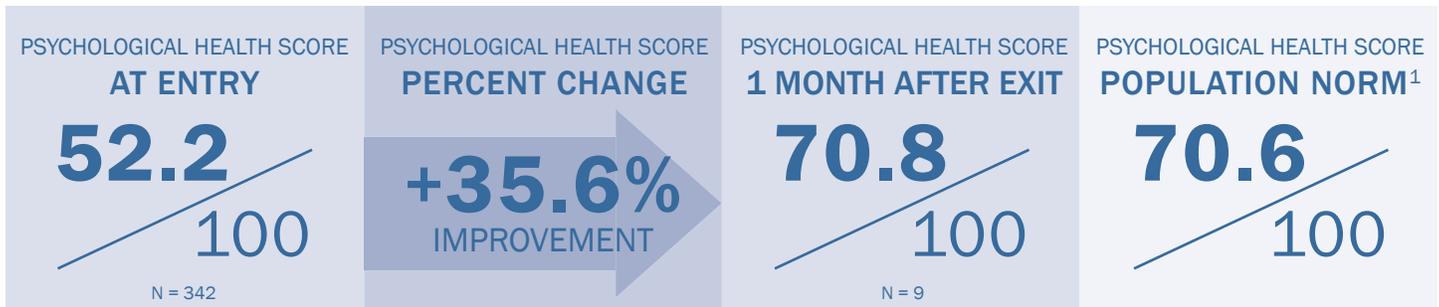
Physical Health Score

Residents rate their physical health by answering questions regarding pain, energy level, mobility, sleep and their ability to work. Scores are tallied on a 100-point scale. **Physical health scores increased (improved) by 26.2% from entry to one month after exit.**



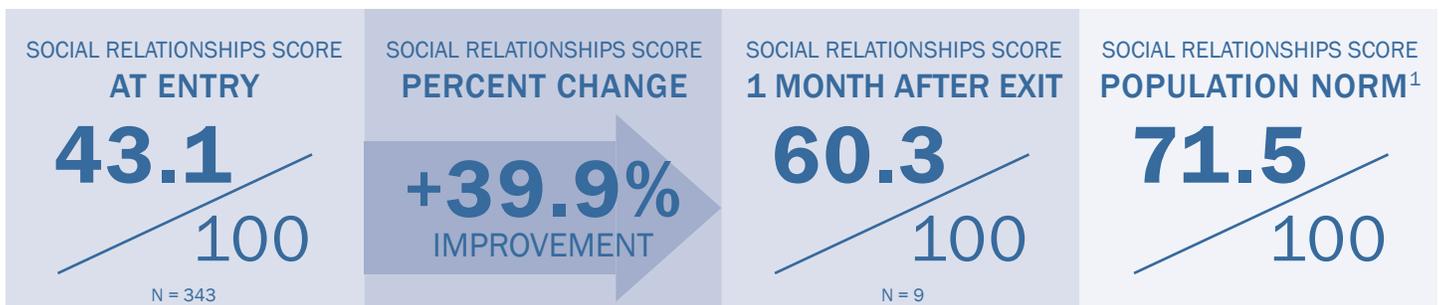
Psychological Health Score

Residents’ psychological health is measured by asking questions regarding their self-esteem, body image, spirituality and presence of positive and negative feelings. Scores are tallied on a 100-point scale. **Psychological health scores increased (improved) by 35.6% from entry to one month after exit.**



Social Relationships Score

Social relationships are measured by asking clients about their social support network, personal relationships and sex life. Scores are tallied on a 100-point scale. **Social relationships scores increased (improved) by 39.9% from entry to one month after exit.**

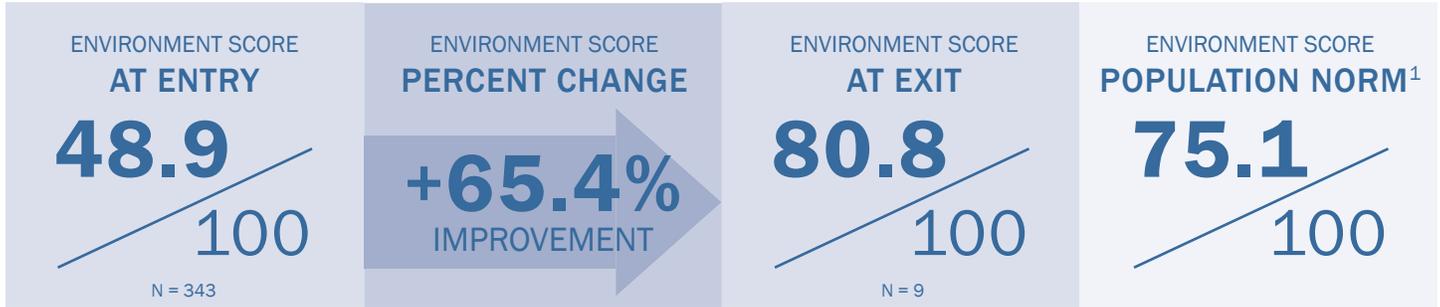


1 Hawthorne, G., Herrman, H., & Murphy, B (2006). Interpreting the WHOQOL-Bref: Preliminary Population Norms and Effect Sizes. Social Indicators Research, 77 (1), 37-59.

Health Outcomes (cont'd)

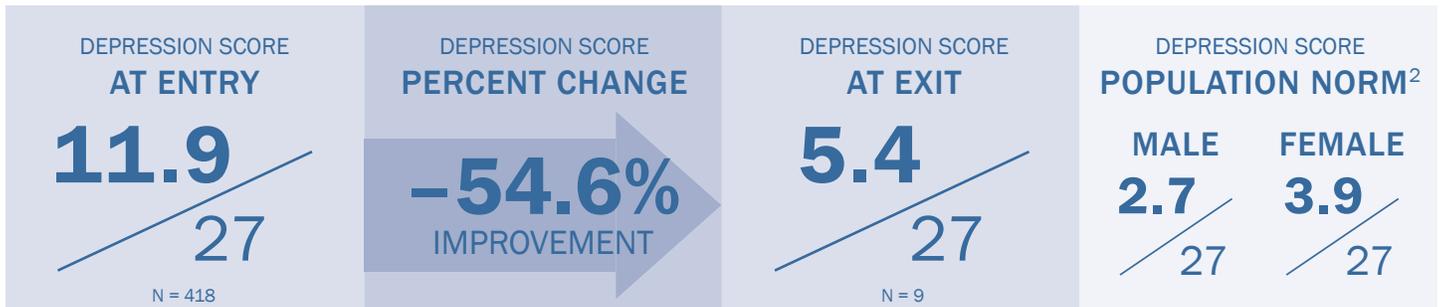
Environmental Quality of Life Score

Environment scores are measured by looking at a variety of aspects that affect overall quality of life, such as safety and security, finance, leisure, transportation and physical environment. Scores are tallied on a 100-point scale. **Environment scores increased (improved) by 65.4% from entry to one month after exit.**



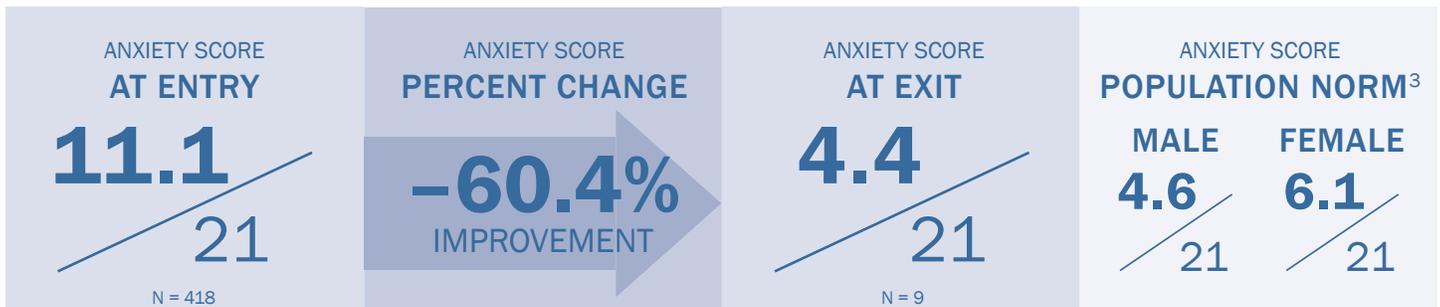
Depression Score (PHQ-9)

Depression scores are measured by asking clients about the prevalence of nine depression symptoms, such as suicidal ideation, the ability to sleep, concentrate, and appetite. Scores are tallied on a 27-point scale, with higher scores indicating a higher severity of symptoms. **Depression scores decreased (improved) by 54.6% from entry to one month after exit.**



Generalized Anxiety Disorder Score (GAD-7)

Generalized anxiety scores are measured by asking clients about the prevalence of seven anxiety symptoms, such as becoming easily annoyed, feeling afraid, restlessness and worrying. Scores are tallied on a 21-point scale, with higher scores indicating a higher severity of symptoms. **Generalized anxiety scores decreased (improved) by 60.4% from entry to one month after exit.**



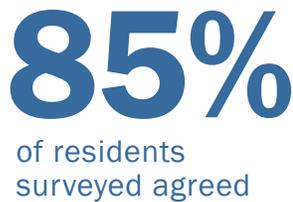
1 Hawthorne, G., Herrman, H., & Murphy, B (2006). Interpreting the WHOQOL-Bref: Preliminary Population Norms and Effect Sizes. Social Indicators Research, 77 (1), 37-59.  
 2 Thibodeau, M., & Asmundson, G. (2014). The PHQ-9 assesses depression similarly in men and women from the general population. Personality and Individual Differences., 56, 149-153.  
 3 Spitzer, R., Kroenke, K., Williams, J., & Lowe, B. (2006). A Brief Measure for Assessing Generalized Anxiety Disorder. Arch Intern Med., 166(10), 1092-1097.

## RESIDENT SATISFACTION SURVEY RESULTS

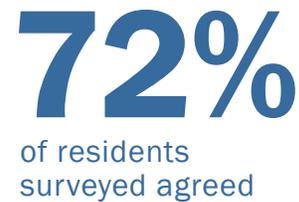
The Coalition’s Customer Satisfaction Survey asked residents of the Fort Lyon Program to rate their level of agreement with 10 statements using a five-point Likert scale (5 = strongly agree; 1 = strongly disagree). Derived from the Mental Health Statistics Improvement Program Consumer Survey, these items assess consumer perceptions about the appropriateness of services, the quality of services, their participation in treatment, and outcomes they have experienced. **When asked if they were satisfied with the quality of services, 72% of residents surveyed agreed. When asked if the services they received help them deal more effectively with their problems, 98% of residents surveyed agreed.**

### 19 Satisfaction Survey Results

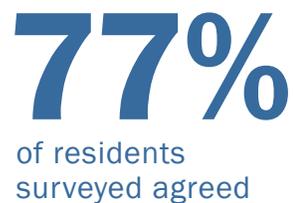
1) I feel physically safe at CCH



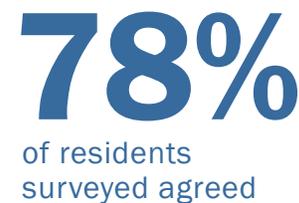
4) I was able to get the services I thought I needed



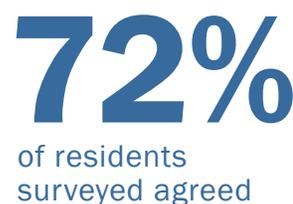
2) I feel emotionally safe at CCH



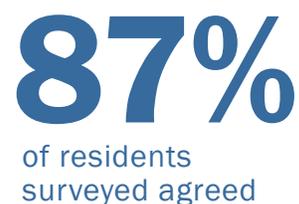
5) The staff showed sensitivity to my background (cultural, racial, special needs, sexual orientation)



3) I am satisfied with the quality of services I’ve received in this program



6) The staff treated me with respect and dignity



Satisfaction Survey Results (cont'd)

7) The staff had the knowledge and ability to help me

**70%**

of residents surveyed agreed

9) I was involved in the development of my own treatment goals

**87%**

of residents surveyed agreed

8) The resources/information provided to me by this program were helpful/useful

**88%**

of residents surveyed agreed

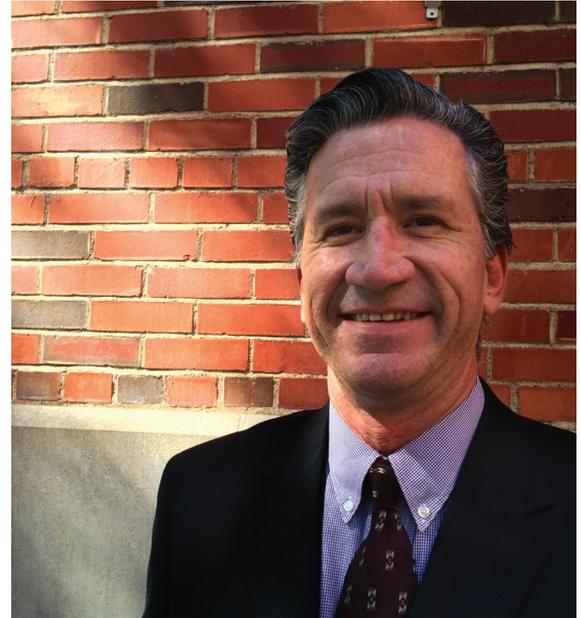
10) The services I've received have helped me deal more effectively with my problems

**98%**

of residents surveyed agreed

## FROM THE RESIDENTS

### 20 Resident Profiles



#### CURRENT RESIDENT: BRUCE

Bruce showed up early to our appointment, dressed in a suit, tie and polished shoes. To those who know Bruce, this isn't a surprise—a former Marine, salesman and father from the Western Slope. But, Bruce also used to be homeless and was struggling with addiction.

Bruce was making six-figures with a wife and child before the tech bubble burst. He was laid off, got divorced and his savings quickly disappeared. Bruce says that his low point came when he had completely lost his relationship with his then 10-year-old son; and, he began experiencing serious health consequences because of his drinking that left the once athletic Marine walking with a cane.

Bruce arrived at Fort Lyon eighteen months ago and hasn't looked back. He has completed four semesters of his Associates of Applied Science with a 4.0 GPA. On top of his studies, Bruce has also been working on campus in the mail room, teaching himself guitar, and restoring his relationship with his son. Bruce has been so successful at Fort Lyon that he now lives in one of the houses on campus with two other peers.

Bruce's face softens when he speaks about his son, who recently came to visit him. "It's the happiest I've been in a long time. A very long time." Bruce says they watched football at the VFW and shot some pool. "He had a Shirley Temple, and I had an ice water," Bruce says with a smile. "I love him more than anything on this planet."

Looking toward the future, Bruce says that professionally, "my ultimate goal is to run a nonprofit for addicted Veterans who are homeless." But more importantly, "my goal after I leave is to build a relationship with my son."

It won't be easy, but Bruce says, "I have my son. What bigger carrot do you need to want to live?"

Resident Profiles (cont'd)



**FORMER RESIDENT: ISRAEL**

Israel found himself homeless on the streets of Denver a week before Christmas in 2009. Israel says, “I stopped caring and alcohol took over my entire life.” He spent the next four years camping along the South Platte River before he decided to get sober. “My low point was feeling a complete absence of God,” Israel says.

Israel knew that he wanted to get sober, but he didn’t know how. He says that every time he would try to stop, he would have seizures. He estimates that in the four years he was homeless he racked up over \$200,000 in emergency services.

Israel spent 18 months as a resident of Fort Lyon, leaving the summer of 2015 for his own apartment in Otero County which he obtained through the TBRA voucher program. He is currently enrolled in Otero Junior College where he is completing his associate’s degree to become a community health worker. When asked about his choice in career, Israel says, “By helping other people, it is going to keep me sober.” Israel’s ambitions don’t end there; he says that in five years he hopes to be working at Fort Lyon and continuing to help people by “spreading the message of strength and hope.”

“I wake up every day in my own home. I don’t have this obsession to drink anymore,” Israel says, “and not having that is beautiful. I am truly grateful to Fort Lyon for helping me save my life by giving me the time and space between me and my old life.”