DEPARTMENT OF LOCAL AFFAIRS
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA

Thursday, January 9, 2014
2:30 p.m. – 4:30 p.m.

2:30-2:45 INTRODUCTIONS AND OPENING COMMENTS

2:45-2:50 QUESTIONS COMMON TO ALL DEPARTMENTS

1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response?

DOLA Response:

DOLA is committed to customer service and timely, accurate responses to all inquiries. The Department receives a significant number of inquiries from the public, media, and government officials each day, and tailors its response procedure as needed to provide the best customer service possible. DOLA has subject-matter experts who address a wide range of topics and administer technical assistance that supports local government officials and staff.

The Department, through its Executive Director's Office working with specific Division staff, responds to inquiries from elected officials and representatives (federal, state, county, and city) on a daily basis. Staff are designated as the primary point of contact for the various levels of government, and, for city and county elected officials and staff, designated according to regions of the state.

For state elected officials, aides, and legislative staff, inquiries are directed to the Deputy Executive Director who also serves as the legislative liaison on behalf of the Department. Inquiries are coordinated by the Deputy Executive Director and the Department Budget Director. The response time complies within the indicated time frame. The overall response goal is to respond within the agreed upon time frame related to the specific inquiry. Naturally, often within the same day, DOLA staff make contact in order to clarify the inquiry and discuss next steps. At times, depending on the level of complexity of the inquiry, additional time is required to gather the data or background information. In these cases, the person making the inquiry is contacted and informed of additional time needed and whether the timeframe will work for her/his needs.

Inquiries from the media and Colorado Open Records Act requests are directed to the Department's Public Information Officer, who coordinates responses with appropriate staff.

The Department also has an Advocate Line, which is part of the network of state agency help lines overseen by the Governor's Advocate Office. The Advocate Line is designed to assist citizens with questions and help direct them to agencies, programs and services, where appropriate.

2:50-3:30 FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY

2. Does the Department fully support Fort Lyon Supportive Residential Community? Is the current turnover reflect program success? At current funding and population levels the Department is expending approximately $58,000 per resident. Is this amount appropriate to spend per resident?

DOLA Response:

Yes, the Department fully supports the Ft. Lyon Supportive Residential community as part of the solution to prevent and end homelessness in Colorado. Though the program has only been operational for a period of ninety days, the current turnover rate is reflective of program success when compared to other supportive housing programs for special populations managed by the Department. For instance, DOLA administers a permanent supportive housing program, known as CSHARP for persons with mental health and substance abuse disorders who are ex-offenders (similar to the residents at the Ft. Lyon community), which has a turnover rate of 31%. Based on the current resident census, the resident turnover at Ft. Lyon is 24%, which is well below the rate of programs serving similar populations and also below the resident turnover rate that was projected during the initial program design of 30%.

Based on current spending, the expenses paid for services and operations are $267,970 for the first three months. Based on the population served during this time period, actual spending for this time period averages $3,828 per person. However this will change as the Ft Lyon population increases. The expenses will increase as residents access more job training and employment programs, but these costs can be spread across a larger resident population base. The Department anticipates that the funds approved for this fiscal will be sufficient to meet the projected cost.

Yes, this is an appropriate amount of funding to spend per resident as the number of residents continues to increase at the Ft. Lyon Supportive Residential Community. In fact, other supportive housing programs providing housing and supportive services for the Department have a much higher per person cost. For instance, DOLA's "Shelter Plus Care" program serving disabled homeless individuals with rental assistance and intensive mental health services has an average annual per participant cost of $15,207 which does not include the direct substance abuse treatment/recovery services. The Ft. Lyon Supportive Residential Community is a unique program in that it provides both mental health and substance abuse treatment services.

3. What are the costs specific to transporting residents to and from their home communities? Please provide a detailed explanation of transportation costs.

DOLA Response:

Transportation costs for the first months of operation are averaging approximately $784 per month specifically for transporting residents to and from their home communities. This includes costs for fuel and basic vehicle maintenance for the 15 passenger van used to transport clients to and from their home communities. Additionally, the Colorado Coalition for the Homeless (CCH) has hired a driver for the van earning $15 per hour. Once automobile insurance is taken into account ($1,032/year), as well as the cost for the two 15-passenger vans purchased for the project (figured here as a market 36 month lease rate for the same vehicle), a summary of the expected annual costs of transporting residents to and from their home communities is listed below:

Description	**monthly average**	**annual costs**
Fuel & vehicle maintenance	$784	$9,408
Van purchase pro-rated	$558	$6,696
Vehicle insurance	$86	$1,032
Van driver	$2,600	$31,200
Total:	***$4,028***	***$48,336***

4. Is the Department requesting continuation funding or requesting an increase in funding for Fort Lyon?

DOLA Response:

The Department is requesting continuation funding for the Ft. Lyon Supportive residential community in FY 2014-2015 based on the projected increased occupancy from 200 to 300 residents.

5. How can the General Assembly evaluate the success of Fort Lyon? How can the General Assembly evaluate whether the investment is worthwhile?

DOLA Response: Note: An addendum has been included for this question on page 23

In addition to the demographic data that is provided to the Department on a weekly and monthly basis, the General Assembly may use the quarterly report provided by DOLA partners (CCH and Bent County) to evaluate the success of Ft. Lyon. The quarterly report will include progress on all performance metrics including the number of participants, the graduation/success rate, and the ongoing cost effectiveness measures. The first quarterly report will be available in late January 2014 which the Department will have available on its website and DOLA will also share with the General Assembly. More frequent resident census and demographic reports are available upon request.

6. **Please provide an "apples to apples" comparison of the Fort Lyon Supportive Residential Community with other non-profit homeless programs in the Denver Metro Area.**

   DOLA Response:

   The Department can provide a comparison of Ft. Lyon to other non-profit homeless programs in the metro Denver community; however an in-depth comparison will require additional time to research and prepare. The Department will collect and submit these comparisons by January 22, 2014 to the JBC staff. This comparison will include programs that serve homeless persons with substance abuse disorders and persons with mental health disorders, and a comparison of programs that serve persons with dual diagnoses. The cost for serving persons with dual diagnoses, like the residents at Ft. Lyon, will be far greater than those experiencing a single diagnosis.

7. **Please discuss outcomes for individuals enrolled at Fort Lyon or in a similar program compared to outcomes of individuals enrolled in a local model of serving the homeless.**

   DOLA Response:

   Since the Ft. Lyon Supportive Residential community has only been operational for three months, the program is currently being measured based on inputs as opposed to outcomes. However, the Department has multiple metrics that will be used to measure longer term outcomes for Ft. Lyon residents (see the attached performance metrics). Program benchmarks thus far have been met, including the enrollment of over 80 participants, statewide participant access, and the implementation of education and employment programming. Also, seven partner agencies statewide have been selected by DOLA to be a part of the Ft. Lyon statewide referral network, with a focus on reintegration for each participant in their home community after their time in recovery at Ft. Lyon. The objective of the referral network is to provide a local support and resource to secure expectation of permanent housing after the completion of the program. It will also serve to link the Ft Lyon resident into local supportive services and as well as the focus on to foster community reintegration. With the statewide referral network in place, the Program expects the outcomes for participants maintaining permanent housing to be 75% after the first year and be comparable or better than the other supportive housing programs managed by the Department, once the program is more established.

8. **What employment opportunities were created in Bent County as a result of this program? What types of jobs were created? What impact has this program had on the economy of Bent County?**

   DOLA Response:

   As of November 30, 2013, Bent County has 11 FTE assigned to Ft. Lyon and, other than special projects, this current staffing level is expected to be adequate. This staffing level also presumes Ft. Lyon resident work crews will continue providing valuable on the job training services and man hours for the operation and maintenance of the campus. The City of Las

Animas and Bent County have contributed 351 hours of equipment time and 444 man hours for a variety of projects in support of the Ft. Lyon mission.

Overall, including program staff hired by CCH, the project has created 31 new full time and two new part time jobs on the campus. These positions have been filled by Bent, Otero and Prowers County residents. Only 90 days in to the project, it is difficult to measure economic impacts. However, local partner Southeast Colorado Mental Health Services increased staff in 2013 to provide services for Ft. Lyon residents. As the resident population grows, so will the number of local service-related employees.

9. What is the status of providing federal subsidized housing to Fort Lyon graduates?

DOLA Response:

The expectation of the Department is that each participant successfully graduating from the Ft. Lyon Supportive Residential Community will transition into permanent housing in the community of their choice. In the Department's annual Housing Choice Voucher (Section 8) Administrative plan approved by HUD, there is a preference for individuals who are homeless and/or disabled, which would include residents transitioning from Ft. Lyon. The Department is amending the Administrative Plan in 2014 to include the Ft. Lyon Supportive Residential Community among the other supportive housing programs administered by DOLA (Shelter Plus Care, HUD-VASH, offender re-entry, etc.) as a source for the Housing Choice Voucher waiting list. Additionally, working with the seven statewide local partners in the Ft. Lyon referral network, the Department is working with local and regional Housing Authorities to create a similar preference, allowing those returning to their communities from Ft. Lyon better access to a permanent housing voucher.

The Ft. Lyon statewide referral network will also work with the Department to identify new affordable units within their communities for which Ft. Lyon graduates would be eligible. As part of the annual Qualified Allocation Plan (QAP) for the awarding of Low Income Housing Tax Credits, the Colorado Housing and Finance Authority (CHFA) has also identified a preference for new construction projects serving homeless individuals; these new units will be a valuable local resource for the referral network partners in identifying permanent housing for Ft. Lyon graduates as well. The Department maintains a pipeline of new permanent supportive housing units to be built in Colorado, and will regularly update the statewide referral network in order for these providers to coordinate each Ft. Lyon resident's exit date with the potential availability of a new unit.

10. Why is the Department running an economic development program for Bent County? Is administration of the program at Fort Lyon interfering with the assistance the Department provides for other communities or other homeless populations in Colorado?

DOLA Response: Note: An addendum to this question can be found on page 23

The Department is not operating an economic development program for Bent County, but the repurposing of Ft. Lyon provides economic benefit to Bent County. One of the principle statutory mandates of the Department of Local Affairs is community and economic development, especially for rural communities. Repurposing Ft. Lyon is a classic example of utilizing an existing facility, a trained labor force, and creating skilled and semi- skilled jobs at a livable wage. This facility has been one of the principal job generators for Las Animas and Bent County for the past 100 years.

11. **During the passage of S.B. 13-210, proponents of S.B. 13-210 asserted that this Fort Lyon program would be serving homeless who couldn't qualify for other homeless programs in the State of Colorado or who had been kicked out of other homeless programs. Please provide proof these are the individuals being served.**

DOLA Response:

The goal of Ft. Lyon is to serve the most difficult of homeless individuals. This population includes those who did not qualify for other homeless programs or who were kicked out of other homeless programs. Many of the Ft. Lyon residents have failed to maintain housing, jobs, training, therapies and relationships due to continuing mental health disorders, substance abuse, and medical conditions. Many of these failures were due to the pressures of their existing communities to continue to abuse substances and not seek care for their mental and physical health. This is what makes Ft. Lyon unique.

3:30-3:40 FEDERAL MINERAL LEASE DIRECT DISTRIBUTION

12. **Please comment on staff's recommendation that the JBC carry a bill to either modify the statutory deadline for Direct Distribution payments when Permanent Fund appropriations are available or allow expenditures in the following fiscal year to eliminate the timing issue.**

DOLA Response:

The Department will work with OSPB and JBC staff to determine what can be done to address the nature of the "back-fill" process. The Department will work will both staff and sponsors to enact workable statutory changes. The timing and variables for the FML Direct Distribution and any qualifying "back-fill" request are complicated. The Department has conducted and can make available more extensive analysis and has several possible solutions that it can review with OSPB and JBC staff.

The Department believes the timing of the process might most easily be addressed by changing the March Legislative Council forecast as the statutory triggering event for the "back-fill" and ensuring existing references to "current fiscal year" are referencing the appropriate fiscal year in which the Direct Distribution occurs. Replacing March with December's forecast would accommodate the normal budget amendment deadline in January.

These simple modifications would leave the remainder of the distribution timing unchanged ensuring the current fiscal year's FML revenues are collected, any necessary "back-fill" funds are estimated and presented for appropriation by the General Assembly.

3:40-3:50 BOARD OF ASSESSMENT APPEALS FUNDING MECHANISM

13. Please explain why the Department prefers alternating General Fund appropriations with cash fund appropriations to completely cash funding the Board of Assessment Appeals. Why should General Fund be used for a cash funded program?

DOLA Response:

The Department is seeking the flexibility to adjust the Board of Assessment Appeal's (BAA) General Fund and Cash appropriations in its annual base budget in order to address perpetual fluctuations in appeal volume and corresponding filing fees that occur due to the fact that property valuations are performed on a two-year cycle – with the BAA receiving more appeals and filing fees in the first year of the cycle (known as the re-assessment year) and fewer appeals and filing fees in the second year of the cycle (known as the non-assessment year).

Specifically, the Department is seeking to increase the BAA's General Fund appropriation by $72,936 for FY 2014-15 in order to address the reduced number of appeals and filing fees that the BAA will receive in that non-assessment year. The Department is also seeking the authority to request future adjustments in the annual base budget in order to maximize the use of Cash Funds and limit the impact to the General Fund from the BAA program.

The BAA Cash Fund was created in 2013 by SB13-146. This bill was sponsored by members of the Legislative Audit Committee in order to address issues identified in a performance audit of the BAA conducted by the Office of the State Auditor. The bill changed the process relating to BAA filing fees. Before the bill, BAA filing fees were credited to the General Fund and then General Fund dollars were appropriated to the BAA. Now, BAA filing fees are credited to a Cash Fund in order to lessen the BAA's reliance on the General Fund. The effect of SB13-146 was to reduce General Fund support for the BAA from $500,212 to $350,212 for FY 2013-14 and beyond. The Department does not believe that the legislation was intended to completely cash fund the operations of the BAA. The Department informed the Legislative Audit Committee that BAA filing fees would not totally support the BAA program. The Legislative Audit Committee reviewed the statutorily mandated BAA filing fees and decided to leave the fees unchanged.

The Department does not believe it would be advisable to completely cash fund the BAA. Based on our analysis, if the BAA were to be completely cash funded at current appeal volume, the BAA filing fee would need to be raised to more than $665 per petition, well in excess of the District Court filing fee of $224. This would incentivize taxpayers to file these appeals in District Court, which is part of the Judicial Department (the Judicial Department is

69% supported by the General Fund). As more appeals are filed in District Court instead of the BAA, BAA filing fees would need to be raised even higher to cover the costs of the program. The BAA is a more specialized, less formal and less costly venue to handle these property tax appeals. It would take longer to resolve these appeals in District Court, and the appeals would add cases to an already over-burdened Judicial Department. Completely cash funding the BAA would eliminate many of the benefits that the General Assembly achieved when it created the BAA.

The Department's decision item does not seek General Fund support for a program not currently supported by the General Fund. Rather, the Department seeks to correct an oversight in the fiscal note that was issued when the BAA Cash Fund was created by SB13-146. The fiscal note assumed that $150,000 in BAA filing fees would be generated every year to offset a $150,000 annual reduction in General Fund. Unfortunately, the fiscal note failed to take into account that BAA filing fees are reduced by approximately 50% every other year – during non-assessment years when the BAA receives fewer appeals.

The Department's decision item corrects the budget shortfall that will be experienced by the BAA every other year by increasing the BAA's General Fund appropriation by $72,936 for FY 2014-15, with a corresponding decrease in Cash Fund spending authority from the BAA Cash Fund (from $150,000 to $77,064) to match projected fee collections. The Department is also seeking authority to request a base adjustment to each year's budget in an effort to maximize the use of Cash Funds. The Department will provide updated BAA Cash Fund projections that show the projected annual revenue for the upcoming budget cycle and request only enough General Fund to backfill any projected shortfall in revenue. A base adjustment would also be made to increase Cash Fund spending authority that allows the Department to expend the full revenue it is estimated to receive in re-assessment years to reduce the impact to the General Fund. This will promote the most judicious use of General Fund dollars possible.

The Department believes that adjusting the BAA's General Fund appropriation to address the changes in appeal volume during re-assessment and non-assessment years is more appropriate than raising fees to correct the fiscal note oversight that occurred when the BAA Cash Fund was created by SB13-146. As noted in the JBC Staff Budget Briefing, before 2008, the BAA filing fee for represented taxpayers was calculated at 75% of the District Court filing fee. SB08-206 fixed the BAA filing fee for represented taxpayers in statute at $101.25. This was done to avoid an increase to BAA filing fees that would have resulted from an increase in District Court filing fees incurred solely to fund the construction of the Ralph L. Carr Judicial Center. Because taxpayers filing appeals with the BAA would not receive the benefit of using the Ralph L. Carr Judicial Center, it was thought to be unfair to increase BAA filing fees relating to its construction. The Department continues to believe that BAA filing fees are appropriately set at $101.25 for represented taxpayers when compared to the portion of the District Court filing fee that is not attributable to the Ralph L. Carr Judicial Center.

14. Why is the filing fee established in statute rather than granting the Board of Assessment Appeals authority to adjust the fee through rulemaking? Which way would the Board prefer the fee be established?

DOLA Response:

BAA filing fees have historically always been established in statute. The BAA Cash Fund was created in 2013 by SB13-146, which was sponsored by members of the Legislative Audit Committee. The Department met with the Legislative Audit Committee prior to and during the drafting of SB13-146. Several options concerning changes to BAA filing fees were discussed during these meetings, including an option to create a BAA Cash Fund with the amount of the BAA filing fee to be determined by the Department, subject to a cap set at ninety percent of the total filing fee required to be paid by a plaintiff filing a civil action in State District Court. Ultimately, the Legislative Audit Committee voted to create the BAA Cash Fund, but to leave the filing fee amount as previously established in statute. The Department believes that the Legislative Audit Committee's very thorough and thoughtful analysis relating to BAA filing fees sufficiently addressed the issue of whether the establishment of BAA filing fees should be removed from statute.

3:50-4:10 HOUSING DEVELOPMENT GRANTS

15. Will the requested funding be used to provide supportive services and wrap around services or is the funding solely to encourage construction of affordable housing units?

DOLA Response:

The additional Housing Development Grant (HDG) funding requested will be utilized to provide housing for low-income households through new construction, the rehabilitation of existing housing and rental assistance, when necessary. HDG funds are used for housing costs. When services are necessary for the low-income population being served, the services are funded through other sources such as Medicaid, SAMHSA, Department of Justice, and Department of Human Services.

16. Does the 800 additional affordable housing units include renovation or are they only newly constructed units?

DOLA Response:

The projected 800 affordable housing units include new construction and the rehabilitation of existing units.

17. Who are the potential awardees of the additional funding? How long will it take for the funding to begin flowing?

DOLA Response:

The Division of Housing (DOH) provides HDG funding to non-profits, local housing authorities and private developers based on DOH project and program underwriting. DOH underwrites projects based on the financial viability of each deal, and on the applicant's ability to fulfill their commitments in the application.

DOH will begin funding projects July 1, 2014 upon the approval an HDG award.

18. Is there currently any effort in the Division of Housing to provide loans instead of/in addition to grants to encourage investment in affordable housing?

DOLA Response:

DOH currently makes loans using federal HOME, state Home Investment Trust Funds (HITF) and the custodial Colorado Housing Investment Fund (CHIF). DOH currently has a portfolio of over more than 40 loans, valued at over $20 million.

19. How does the Division prioritize which homeless get assistance? Is there any wrap around to ensure persons who need treatment are following through with their treatment?

DOLA Response:

DOH aligns homeless funding priorities with the state plan to end homelessness: Pathways Home Colorado. This includes several sources of information to prioritize the distribution of funds dedicated to serving people faced with homelessness, including regional homeless point-in-time counts, the Homeless Management Information System (HMIS) and the Vulnerability Index. DOH also partners with the three HUD approved Continua of Care to administer federally funded local homeless programs around the state.

The types of homeless households vary. In urban communities the priorities tend to be chronic homeless individuals and homeless families in suburban communities. Rural communities have a growing need to serve both homeless families and individuals who experience episodic homelessness, mostly from loss of a job or as a victim of domestic violence. The homeless programs funded by the Division of Housing are tailored to meet the needs of the individual communities.

DOLA administers several federal supportive housing programs that require intensive treatment and "wrap-around" services as a component of the housing. For properties developed as independent living, where previously homeless persons are integrated into mainstream communities, supportive services are often provided by non-profit organizations using funding from federal and state human service programs and from philanthropic sources like foundations and area United Way chapters. In these cases, housing funding is conditioned on the availability of services.

20. What is the historical funding stream for this type of housing? Specifically, does Sections 24-75-1301 through 1035, C.R.S. bar the use of General Fund to backfill

federal funds? Provide historical data for the past 30 years comparing the ratio of General Fund to federal funds for affordable housing construction.

DOLA Response:

The HDG funding request is based on the increased demand for affordable housing. It is not meant to backfill federal funding cuts.

Demand far exceeds what available financial resources the State can provide in housing given the growing disparity between housing cost and household income. Data from the past decade supports this contention and yields the following: continued rent growth and the large numbers of rent-burdened households in Colorado: 142,000 renter households that make less than $20,000 annually, of which, 59,000 households make less than $10,000[1] annually. Based on these numbers, there is great need for all types of affordable housing: people with special needs (>24,000 housing units)[2], seniors (>21,000 housing units)[3], families with children (>38,000 housing units)[4], people in rural areas (>7,000 housing units)[5] and people coming from homelessness (>14,500 people)[6].

At the $20,000 household income level and below, there are two households competing for each rental unit available at an affordable level ($500 per month).

The Department, as part of its record retention policy, maintains ten years of data for the HDG program. The following chart illustrates both state and federal funding sources for affordable housing since 2003.

Division of Housing
Funds Available by Projects and Units Funded

Year		*State Fiscal Year*	State Funds	Federal Funds
2003		*2003/04*	$ 10,000	$ 10,598,133
2004		*2004/05*	$ 100,000	$ 11,652,467
2005		*2005/06*	$ 100,000	$ 12,343,039
2006		*2006/07*	$ 1,100,000	$ 11,213,236
2007		*2007/08*	$ 1,223,324	$ 10,479,411
2008		*2008/09*	$ 2,225,000	$ 9,968,372
2009	*	*2009/10*	$ 2,225,000	$ 44,027,072
2010	*	*2010/11*	$ 2,225,000	$ 10,851,311
2011	*	*2011/12*	$ 2,000,000	$ 15,221,414
2012	*	*2012/13*	$ 2,200,000	$ 6,726,295
2013	*	*2013/14*	$ 4,200,000	$ 10,147,688

* Funding includes federal Neighborhood Stabilization Program funds.

Information for the above question drawn from the following sources:

[1]U.S. Census Bureau, 2011 American Community Survey.

[2-5]Center on Budget and Policy and Priorities, "*Colorado Federal Rental Assistance Facts*", December, 19, 2012.

[6]Colorado statewide Point-in-Time homeless count, January 2013.

21. Is this program more effective at assisting homeless populations than Fort Lyon?

DOLA Response:

Both the construction of housing and the Ft. Lyon Supportive Residential Community are integral parts of Pathways Home Colorado, the State's plan to end homelessness in Colorado, and as part of the continuum of housing needed to meet the diverse needs of low-income individuals and families. DOH manages federal and state funds and funds emergency shelters, transitional housing, permanent supportive housing, and affordable rental housing. Ft. Lyon is complementary to other housing programs provided by DOH. These types of housing will be more effective, with the addition of Ft. Lyon. Many homeless individuals cannot sustain their housing because of mental health disorders, relapses with drugs and alcohol, and medical illness that consumes all of their income. Ft. Lyon serves a number of purposes, including stabilizing chronically homeless persons before living in independent rental housing, thus improving their chances of securing a job or returning to school.

The Division of Housing maintains a housing pipeline of affordable housing projects that represents what is planned to be built over the next 12 to 18 months. The housing pipeline is an evolving list that is updated quarterly and is based on what housing developers anticipate they can achieve if resources are available. The goal of producing more affordable housing units is to offer housing for a full range of incomes that supports these households in their quest for better jobs, services, and stability. Affordable housing communities offer a range of rents, locations with transportation options, and are close to schools, jobs, and supportive services. The housing pipeline includes a full range of housing, which includes housing for persons earning a moderate wage and for persons with disabilities or the homeless.

22. In the Department's request it specifies a few measures of success including parolee recidivism rate, state mental health hospital admissions, and the attendance record and grades of homeless children. Please discuss how the Department developed these measures of success.

DOLA Response:

The Division of Housing is partnered with several agencies to administer programs geared toward special populations. DOH will monitor the success of its housing investments through these partnerships and programs. The following summarizes the programs and DOH's partnerships.

- Recidivism rate below 40% after two years – For parolees diagnosed with co-occurring mental illness and substance abuse, the recidivism rate over four years is 68%. DOH's goal is to reduce the recidivism rate to 40%. The source of the recidivism rate is from monthly reports provided by the Department of Corrections and the Mental Health Center of Denver Research Institute. DOH is partnered with community mental health agencies, Colorado Department of Corrections, and services are funded through the US Department of Justice.

- Improved grades and attendance for homeless children – The Next Step program in Grand Junction, which provides housing and services for otherwise homeless families with school aged children, demonstrated improved school attendance for 50% of the children and improved grades for 60% according to data from the Mesa County School District 51. In addition, housing these homeless families also enabled parents to improve their employment status and income as 46% of the participants secured employment according to Mesa County Workforce Center, and 41% were able to increase their wages. DOH is partnered with local housing authorities in Mesa County, Boulder County and Jefferson County. Each housing authority is partnered with its local school district, workforce center and social service agency to provide the services needed to meet the families' needs. DOH housing partners provide reporting data on its participants' success.

- Reduction in state mental hospital admissions – The cost savings for reduction in the admission rate of behavioral health patients is reported by Centennial Mental Health Center and the Colorado Department of Human Services. Patients admitted to the Pueblo State Hospital cost $1,000 per day for an average stay of five days (source: Colorado Department of Human Services). The addition of 6 respite beds to the 11 existing beds in the Centennial facility is expected to reduce the number of persons they refer to the state facility by 60%. DOH partnered with Centennial Mental Health Center and will attain cost saving information upon the completion of the needed expansion.

4:10-4:20 DOWNTOWN REVITALIZATION TECHNICAL ASSISTANCE

23. Why must legislative action occur to eliminate redundant paperwork?

DOLA Response:

The Department does not currently have spending authority to accept and spend funds from OEDIT ($4,000 Reappropriated Funds). OEDIT and DOLA would like to partner and jointly contribute funding to help communities afford these downtown assessments. Without the requested spending authority, the departments can still jointly fund them, but the community will have to work with both agencies on two separate purchase orders. Currently, to provide a single community assessment that is jointly funded by DOLA and OEDIT (total cost per assessment is $3,000), a town would need to have a contract with DOLA for $2,000 and one with OEDIT for $1,000. Granting DOLA with Reappropriated Fund spending authority to receive and spend funds from OEDIT will simplify the process and allow the town to contract with one State agency for the full $3,000. It behooves the State to appear more coordinated in its efforts, and reduce time spent on administering funds (both from state agencies and local governments).

24. **Please provide an update on the $3.0 million appropriated last year. Is the $3.0 million being used for grants? If so, to whom has it been given? If not, why?**

DOLA Response:

The Rural Economic Development Initiative (REDI) is a top priority for both the Department of Local Affairs and OEDIT. The program manager for REDI started work at the end of August 2013. The program manager has been actively engaged with Colorado's communities and has partnered with the DOLA and OEDIT to establish the program guidelines and grant processes. OEDIT has met with every eligible first tier community (i.e., communities with corrections facilities) to identify and develop eligible projects. To date, the REDI program is assisting these rural communities in the development of sixteen funding applications totaling $3.5 million. Not all of these projects are fully-developed and ready for funding, and not all are eligible (e.g., in some cases a portion of these projects is already under way and, thus, in many cases the project is not eligible for state funds, due to procurement rules).

Some of the applicants' projects show great promise. Grant awards for infrastructure and business facilities projects (e.g., business location and expansion) are expected to begin by the end of February of 2014. Along with its planned administrative expenses, provided that explicit intent is in the Long Bill, REDI anticipates that $500,000 in grants and incentives will be expended by June 30, 2014, with the remaining amounts utilized in FY 2014-15.

As currently appropriated, program funding in the FY 2013-14 Long Bill does not extend beyond June 30, 2014; however, the projects that will be funded through these grants are multi-year in nature. While the Department requested a two year program that was funded in the FY 2013-14 Long Bill, the Office of the State Controller has recently indicated that, based on State Fiscal Rules, the program requires explicitly clear Legislative intent to allow this multi-year grant program to operate as intended. To solve this issue, the Department has submitted a FY 2013-14 supplemental that requests that the Long Bill (S.B. 13-230) be amended to add a footnote to allow the $3 million General Fund appropriation to be available for three fiscal years (FY 2013-14 through FY 2015-16). This request explicitly defines the legislative and programmatic intent to fund these grants to rural communities to help diversify the economies of Colorado's rural communities that are overly dependent on a single large employer. While all funds will be awarded and under contract by June 30, 2015, the program requires funding through FY 2015-16 for project completion, final monitoring and contract closeout. The Department expects many of the projects will include construction elements, which may take 12 to 18 months to complete.

With the addition of explicit roll-forward authority in a footnote included in the FY 2013-14 Long Bill, the requested continuation funding included in the FY 2014-15 budget submission will no longer be needed to ensure the support of the REDI program and its administration. Therefore, the Department is also submitting a FY 2014-15 budget amendment to reduce $3.0 million General Fund and 1.0 FTE in the FY 2014-15 base budget (Field Services Program Line) as submitted in the November 1 budget request.

25. **What qualifies for the $3.0 million appropriated to the Department of Local Affairs for economic development during the FY 2013-14 budget cycle? Is the focus county-wide or region-wide? Can the economic development money be used to increase broadband access in rural Colorado?**

DOLA Response:

This program targets rural communities (i.e., municipalities less than 20,000 in counties less than 50,000 population and which are rural in nature) which are overly reliant on a major employer (i.e., the number of employees at that company represent at least 20% of the total community employment number). Consistent with the General Assembly's original concern with possible prison closures, DOLA and OEDIT agreed to give first access to communities where the economy is reliant on the corrections industry as a major employer. As of January 1, 2014, the fund eligibility expands beyond these communities to other communities reliant on a major employer or key industry. Although it is up to the applicant community to show it is reliant on a major employer or key industry, DOLA and OEDIT are working on developing a list of these communities to direct and prioritize outreach and assistance.

Companies and local governments that wish to expand existing or locate new businesses, with an emphasis on key industries and primary jobs, qualify for grant funds. For example, a successful business may want to expand, adding primary jobs, but may not currently be able to afford the construction costs. The grant funds may help the business cover some of the construction costs. In another example, a local government, with the grant funds, may be able to provide some of the infrastructure costs to help a new business locate in town.

OEDIT and DOLA are meeting with local and regional stakeholders to identify projects in eligible municipalities (i.e. those reliant on a major employer or key industry). Funding extension of broadband may be eligible if it results in the location or expansion of a business in an eligible community.

Additionally, the program includes income assistance vouchers for those who have lost their jobs from a key industry/primary employer. Other projects that qualify for funds include assessments, feasibility studies, redevelopment and infrastructure consultants, and job training.

26. **Please demonstrate why the above-mentioned appropriation should not be taken through a negative supplemental.**

DOLA Response:

Rural communities throughout Colorado are potentially vulnerable to economic downturns due to a reliance on single large employers, such as prisons. The Department believes the REDI program is a step in the right direction to support economic diversification across Colorado. The Department has made progress to date and believes this will help communities over time by connecting local governments with their private sector partners to enhance the community's economic viability and resiliency.

Without these funds, the State would miss the opportunity to help support communities to diversify their economies and build resiliency. Specifically, over 200 jobs have already been associated with proposed projects, and approximately $12.0 million in capital investment. This investment in infrastructure, facilities and job training would be lost.

Additionally, the State has the opportunity with these funds to help those who have recently lost their jobs through income assistance vouchers. This type of assistance can help support workers while job training prepares them for other work.

Since the Governor and the administration went on tour this past summer, talking to communities about the possibility of prison closures and the importance of building economic resiliency, those communities have been working to develop sound projects with real potential for new jobs and better-trained employees.

4:20-4:25 DIVISION OF HOUSING LONG BILL REORGANIZATION

27. Please discuss the advantages of changing how the Division of housing Long Bill is organized.

DOLA Response:

House Bill 11-1230 consolidated, within the Department of Local Affairs, two state housing agencies that received and administered federal funds for the same purpose. DOLA's Long Bill no longer aligns with or supports the DOH business model which has a more regional approach. The current Long Bill lumps all division staff in one category and does not differentiate roles between field services and community/nonprofit services making the Long Bill an inaccurate reflection on DOH's work around the state. Further, currently the Long Bill simply lists all funding sources regardless of purpose for the funds. The proposed revisions better align staff and funding sources with the Division's business model.

4:25-4:30 DIVISION OF LOCAL GOVERNMENT

28. Why should the General Assembly appropriate money to state agencies, school districts, and political subdivisions *affected* by geothermal energy *development* when no geothermal energy has been *developed*?

DOLA Response:

The appropriation would provide DOLA an initial opportunity to make funding available for competitive grants to local governments in order to assist them in the responsible planning, development and promotion of geothermal energy development to maximize the beneficial impacts of this industry in their respective Colorado communities (consistent with Section 34-63-105, C.R.S.).

In 2010, the General Assembly created the Geothermal Resource Leasing Fund to accommodate potential revenue sharing by the US Department of Interior (DOI). DOLA requires access to the revenues to grant them to political subdivisions to mitigate impacts of development as it may occur, or to assist in development in a manner that will yield maximal benefit with minimal negative impacts. Although currently in Colorado there are no leases with commercially produced electricity, there are leases producing revenues for the state and two counties, and other areas of the state are planning the acquisition and development of geothermal leases. Under federal law, the Department of Interior shares proceeds from both developing and producing geothermal leases on federal land and generally directs such proceeds to be used by the state and its subdivisions, as the legislature of the State may direct, giving priority to those subdivisions of the State that are socially or economically impacted by the development of geothermal resources and to be used for planning, construction and maintenance of public facilities, and provision of public service.

To date, proceeds collected through the DOI originate from two auctioned geothermal leases- one in Chaffee County and the other in Gunnison County. DOI plans to offer other geothermal leases for auction in the future. While the two existing leases have generated one time revenues from auction, known as bonus payments, and are currently generating recurring rental payments, leaseholders have not yet begun using the leased geothermal resources for the commercial production of electricity and are therefore not generating royalty payments.

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 implement or has partially implemented the legislation on this list.

DOLA Response:

The Department has implemented legislation as required.

2. Does 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 on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations?
http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf

DOLA Response:

The Department does not have any outstanding high priority recommendations.

3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?

DOLA Response:

The Department, at the discretion of the appropriate Division Director, has paid annual licensing fees for a few of its professional employees. For the majority of the DOLA workforce, it is the responsibility of individual employees to maintain their own professional licenses.

The Division of Property Taxation has fourteen licensed appraisers, most of whom need to maintain their license as a job requirement. Historically, the Division has required its licensed appraisers personally pay for those licenses as part of maintaining their own professional qualifications. These costs are incurred every three years by the employee and are dependent upon years of experience. The fee ranges from $165 to $405 every three years per appraiser.

In the Division of Local Government (DLG), the Division paid license fees for its Staff Architect. The license is a requirement of the grant. The amount totaled $62 and was paid from federal grant funds.

In the Division of Housing, the Manufactured Building Program uses cash fees from the Building Regulation Fund (12V) to pay for the licensing fees of its Master Electrician and its two Professional Engineers, and associated certifications related to the International Building Codes Council. These certifications and licenses are required for the statutory activities of the Housing Technology and Standards Section of the program which operates as a building department involved in the “comprehensive regulation of the manufacture of factory-built structures,” Section 24-32-3301(1)(a), C.R.S and to “administer and enforce uniform construction and maintenance standards adopted by the board pursuant to this part 33” Section 24-32-3303(1) (a), C.R.S.

Licensure Expenditures	**FY 2011-12**	**FY 2012-13**	**FY 2013-14 YTD (Partial Yr.)**
DLG (Federal Funds)	$0	$0	$62
DOH (Cash Funds)	$190	$190	$62
Total	***$190***	***$190***	***$124***

4. **Does the department provide continuing education, or funds for continuing education, for professionals within the department? If so, which professions does the department provide continuing education for and how much does the department spend on that? If the department has professions that require continuing education and the department does not pay for continuing education, does the employee have to pay the associated costs?**

DOLA Response:

The Department and its Divisions provide training opportunities to its workforce. The continued success of the Department to foster its key tenets to: fulfill its regulatory responsibilities; assist its customers in solving problems; cultivate its employees; and improve efficiencies relies heavily on its employees to be well trained and continually improve their skill sets. Individual workforce training needs are identified in employee performance plans in conjunction with the business needs of programs, the Department's customer needs and federal grant provisions. The training opportunities available to DOLA employees include: Division sponsored trainings for local communities, classes offered through DPA, National, State and Regional conferences, Webinar and other trainings.

The Department acknowledges that one byproduct of these training opportunities may be that these professional development events also fulfill the private need of an employee to comply with continuing education licensure requirements. Indeed, a number of Department personnel hold licenses as appraisers, architects, engineers, CPAs, Attorneys, and real estate agents and other certifications that require various amounts of continuing education. With the exception of professionals in the Manufactured Buildings Program, Housing Technology and Standards Section within the Division of Housing, these continuing education units are the financial responsibility of the employee, not the Department. The expertise of the workforce of the Department, as reflected by these licensures and certifications, is continually leveraged to serve the Department's constituency and is one of many key ingredients that sustain the high quality of service and high level of customer satisfaction achieved by the Department.

The amount of cash fees from the Building Regulation Fund (12V) expended to pay for continuing education for professionals in the Manufactured Buildings Program, Housing Technology and Standards Section within the Division of Housing is:

Item	FY 2011-12	FY 2012-13	FY 2013-14 YTD
Continuing Education	$1,650	$1,575	$1,050

5. **During the hiring process, how often does the first choice candidate turn down a job offer from the department because the starting salary that is offered is not high enough?**

DOLA Response:

This experience rarely occurs for the Department. Over the past two years, a review of the data indicates that salary level was a factor in one case where the number one choice turned down the job offer from the Department. The Department publishes the salary range of all advertised positions, and expects all applicants to be comfortable with that range. The Department is aware that its policy of generally advertising no higher than the mid-range of each position does limit the number of interested people who actually apply. Thus, the

Department believes the restricted salary levels that it offers are self-limiting and does not necessarily indicate that the Department is offering enough salary to be competitive.

6. What is the turnover rate for staff in the department?

DOLA Response:

The Department of Personnel will provide a statewide report in response to this question during the Department of Personnel's hearing with the Joint Budget Committee.

7. Please provide a comparison of operating costs of physical structures used for homeless programs to the facility at Fort Lyon.

DOLA Response:

In terms of the physical structures, the operating costs for the Ft. Lyon Supportive Residential Community are comparable to other permanent housing structures in the state. Since the program is operating within an existing facility and also does not include the costs of rent or ownership (e.g. debt service), the operating costs per square foot is very low as reported to the General Assembly in 2013:

Operating Costs per square foot: 200 residents:	\$8.53
Operating Costs per square foot: 300 residents:	\$6.74

When looking at a newly constructed supportive housing property, such as CCH's new Stout Street Lofts and Health Center opening in Denver in early 2014, the cost is approximately \$35 per square foot.

In comparison, the operating costs listed for the Ft. Lyon structures seems much lower, but comparisons are difficult in this case based on what is included/excluded, and the size and age of the property. The operating costs of the Ft. Lyon structures do not include the cost of rental, ownership, interest, or depreciation. Projected operating costs of Ft. Lyon with all of these factors taken into consideration (rental/ownership + operating/maintenance) is projected to be \$27 to \$33 per square foot, which again put the costs for operating the Ft. Lyon Supportive Residential Community in line, if not lower, than other supportive housing structures in Colorado.

8. In reference to the Board of Assessment Appeals, please provide caseload data on the number of petitioners who prevail at a hearing. Are the petitioners happy with the service provided by the Board of Assessment Appeals?

DOLA Response:

17,441 appeals were resolved at the Board of Assessment Appeals from 7/1/2006 through 12/24/2013. Following is a summary of the outcome of these appeals:

Stipulated Settlement Agreement Between the Parties:	10,653 (61.08%)
Petition Withdrawn by the Taxpayer:	5,238 (30.03%)
Petition Granted (After Hearing):	650 (3.73%)
Petition Denied (After Hearing):	585 (3.35%)
Petition Dismissed (Procedural or Legal Reason):	315 (1.81%)
Total	**17,441 (100%)**

The caseload data indicates that 65% (10,653+650=11,303) of BAA petitioners achieve a better result at the BAA than the result previously obtained from lower level appeals to the county or property tax administrator. Another 30% of BAA petitioners voluntarily choose to withdraw their petitions. These withdrawals are most often the result of the petitioner receiving additional information from the county indicating that the county's valuation was fair. Only 5% of petitioners actually had their petition denied or dismissed. This data suggests that petitioners are generally satisfied with the results obtained from their BAA appeal.

In order to increase taxpayer satisfaction with the service provided by the BAA, the BAA has also focused on improving customer service and operational efficiencies. Since 2009, the BAA has employed Lean principles, restructured staff duties, implemented new strategies for scheduling hearings, invested in new video and audio technology and offered alternative approaches for dispute resolution. As a direct result of these measures, the BAA has successfully reduced the amount of time it takes for taxpayer appeals to be resolved. In 2008, only 33% of appeals were resolved within one year of receipt. Consistent improvement has been achieved since that time:

Fiscal Year	Percent of Appeals Resolved Within One Year
2008	33%
2009	37%
2010	50%
2011	51%
2012	61%
2013	79%
2014 (estimate)	82%

The BAA achieved these outcomes despite receiving a dramatic increase in appeal volume during the same period. For example, the number of appeals received in the 2008 re-assessment year increased 30% over the 2006 re-assessment year. The number of appeals received in the 2010 re-assessment year increased 65% over the 2008 re-assessment year.

The BAA continues to be focused on improving taxpayer satisfaction. In this regard, the BAA is implementing additional strategies for continued improvement relating to the timeliness of resolving taxpayer appeals. The BAA is also developing ways to better inform and educate taxpayers about the BAA appeals process and what to expect at a BAA hearing. Finally, the BAA is working with the Office of Information Technology to develop online filing for BAA appeals.

DEPARTMENT OF LOCAL AFFAIRS ADDENDUM:

ADDITIONS TO QUESTION 5 AND QUESTION 10 DEPARTMENT BUDGET HEARING RESPONSES

THURSDAY JANUARY 9, 2014

2:30 P.M. – 4:30 P.M.

5. How can the General Assembly evaluate the success of Fort Lyon? How can the General Assembly evaluate whether the investment is worthwhile?

DOLA Addition to the Original Response:

In addition to the response provided, DOLA will provide two just published documents to the JBC at the Departmental Budget Hearing:

A. FAQ Ft. Lyon
B. 2013-14 1st Quarter Ft. Lyon Report

10. Why is the Department running an economic development program for Bent County? Is administration of the program at Fort Lyon interfering with the assistance the Department provides for other communities or other homeless populations in Colorado?

DOLA Revised Response:

The Department is not operating an economic development program for Bent County, but the repurposing of Ft. Lyon provides economic benefit to Bent County. One of the principle statutory mandates of the Department of Local Affairs is community and economic development, especially for rural communities. Repurposing Ft. Lyon is a classic example of utilizing an existing facility, a trained labor force, and creating skilled and semi- skilled jobs at a livable wage. This facility has been one of the principal job generators for Las Animas and Bent County for the past 100 years.

The Ft. Lyon program is designed to complement existing homeless programs in Colorado and the administration of the program does not interfere with the assistance the Department provides for other communities or other homeless populations in Colorado. The Ft. Lyon program offers the homeless individual an opportunity to stabilize their lives and return to their community linked to supportive services- housing and job training. Prior to Ft. Lyon, this type of program did not exist. The program will better prepare homeless persons with dual diagnoses to succeed in turning their lives around.

DEPARTMENT OF LOCAL AFFAIRS
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA

Thursday, January 9, 2014
2:30 p.m. – 4:30 p.m.

2:30-2:40 INTRODUCTIONS AND OPENING COMMENTS

2:40-2:45 QUESTIONS COMMON TO ALL DEPARTMENTS

1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response?

2:45-3:25 FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY

2. Does the Department fully support Fort Lyon Supportive Residential Community? Does the current turnover reflect program success? At current funding and population levels the Department is expending approximately $58,000 per resident. Is this amount appropriate to spend per resident?

3. What are the costs specific to transporting residents to and from their home communities? Please provide a detailed explanation of transportation costs.

4. Is the Department requesting continuation funding or requesting an increase in funding for Fort Lyon?

5. How can the General Assembly evaluate the success of Fort Lyon? How can the General Assembly evaluate whether the investment is worthwhile?

6. Please provide an "apples to apples" comparison of the Fort Lyon Supportive Residential Community with other non-profit homeless programs in the Denver Metro Area.

7. Please discuss outcomes for individuals enrolled at Fort Lyon or in a similar program compared to outcomes of individuals enrolled in a local model of serving the homeless.

8. What employment opportunities were created in Bent County as a result of this program? What types of jobs were created? What impact has this program had on the economy of Bent County?

9. What is the status of providing federal subsidized housing to Fort Lyon graduates?

10. Why is the Department running an economic development program for Bent County? Is administration of the program at Fort Lyon interfering with the assistance the Department provides for other communities or other homeless populations in Colorado?

11. During the passage of S.B. 13-210, proponents of S.B. 13-210 asserted that this Fort Lyon program would be serving homeless who couldn't qualify for other homeless programs in the State of Colorado or who had been kicked out of other homeless programs. Please provide proof these are the individuals being served.

3:25-3:35 FEDERAL MINERAL LEASE DIRECT DISTRIBUTION

12. Please comment on staff's recommendation that the JBC carry a bill to either modify the statutory deadline for Direct Distribution payments when Permanent Fund appropriations are available or allow expenditures in the following fiscal year to eliminate the timing issue.

3:35-3:45 BOARD OF ASSESSMENT APPEALS FUNDING MECHANISM

13. Please explain why the Department prefers alternating General Fund appropriations with cash fund appropriations to completely cash funding the Board of Assessment Appeals. Why should General Fund be used for a cash funded program?

14. Why is the filing fee established in statute rather than granting the Board of Assessment Appeals authority to adjust the fee through rulemaking? Which way would the Board prefer the fee be established?

3:45-4:05 HOUSING DEVELOPMENT GRANTS

15. Will the requested funding be used to provide supportive services and wrap around services or is the funding solely to encourage construction of affordable housing units?

16. Does the 800 additional affordable housing units include renovation or are they only newly constructed units?

17. Who are the potential awardees of the additional funding? How long will it take for the funding to begin flowing?

18. Is there currently any effort in the Division of Housing to provide loans instead of/in addition to grants to encourage investment in affordable housing?

19. How does the Division prioritize which homeless get assistance? Is there any wrap around to ensure persons who need treatment are following through with their treatment?

20. What is the historical funding stream for this type of housing? Specifically, does Sections 24-75-1301 through 1035, C.R.S. bar the use of General Fund to backfill federal funds? Provide historical data for the past 30 years comparing the ratio of General Fund to federal funds for affordable housing construction.

21. Is this program more effective at assisting homeless populations than Fort Lyon?

22. In the Department's request it specifies a few measures of success including parolee

recidivism rate, state mental health hospital admissions, and the attendance record and grades of homeless children. Please discuss how the Department developed these measures of success.

4:05-4:15 DOWNTOWN REVITALIZATION TECHNICAL ASSISTANCE

23. Why must legislative action occur to eliminate redundant paperwork?

24. Please provide an update on the $3.0 million appropriated last year. Is the $3.0 million being used for grants? If so, to whom has it been given? If not, why?

25. What qualifies for the $3.0 million appropriated to the Department of Local Affairs for economic development during the FY 2013-14 budget cycle? Is the focus county-wide or region-wide? Can the economic development money be used to increase broadband access in rural Colorado?

26. Please demonstrate why the above-mentioned appropriation should not be taken through a negative supplemental.

4:15-4:25 DIVISION OF HOUSING LONG BILL REORGANIZATION

27. Please discuss the advantages of changing how the Division of housing Long Bill is organized.

4:25-4:30 GEOTHERMAL ENERGY IMPACT GRANTS

28. Why should the General Assembly appropriate money to state agencies, school districts, and political subdivisions *affected* by geothermal energy *development* when no geothermal energy has been *developed*?

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 implement or has partially implemented the legislation on this list.

2. Does 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 on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations?

   http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf

3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?

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6. What is the turnover rate for staff in the department?

7. Please provide a comparison of operating costs of physical structures used for homeless programs to the facility at Fort Lyon.

8. In reference to the Board of Assessment Appeals, please provide caseload data on the number of petitioners who prevail at a hearing. Are the petitioners happy with the service provided by the Board of Assessment Appeals?