



**COLORADO**  
**Department of Local Affairs**

# Performance Plan for FY 2023-24

*July 1, 2023*

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## Departmental Introduction

The Department of Local Affairs (DOLA) serves as the primary interface between the State and local communities. The Department provides financial support to local communities and professional and technical services (including training and technical assistance) to community leaders in the areas of governance, housing, and property tax administration. While all state governments provide such services through various Departmental structures, Colorado's approach is unique in that these local community services are gathered into one Department of "Local Affairs" which has a central focus on strengthening Colorado communities, increasing resiliency, and enhancing livability.

DOLA makes financial resources available to support community infrastructure (e.g. water, sewer, road and bridge projects) and services (e.g. housing) either through statutory formula distributions of state and federal funds (e.g. Energy Impact Direct Distribution, Community Service Block Grants, Conservation Trust Fund) or through state and federal grants (e.g. Energy Impact, Limited Gaming Impact, Community Development Block Grants, Marijuana Impact). In recent years, a large portion of DOLA's funding has also come from federal stimulus programs established to respond to the COVID-19 pandemic and its impacts.

In addition to providing assistance and services to local governments and communities, DOLA provides technical assistance and services for individual citizens. DOLA assists property owners to ensure their property taxes have been determined in a fair, accurate and consistent manner in accordance with property tax laws, and provides a forum for taxpayers to appeal assessments. DOLA also helps citizens obtain assistance with rent, mortgage, and utility payments through local housing authorities and non-profit service organizations. Additionally, DOLA channels federal aid for disaster recovery. In these ways, DOLA is a direct point of contact for many Coloradoans and other Colorado property owners.

Further, all four divisions of DOLA perform a variety of regulatory functions as assigned by the Constitution and statutes. These range from ensuring proper implementation of state property tax laws, implementing safety and related policies regarding manufactured housing and factory-built housing, enforcing requirements on local governments regarding public access to key government documents, and many others. Most recently, DOLA has been trusted with over \$1.3 billion of COVID-19 American Rescue Plan Act economic recovery funding directed through the Colorado Legislature and has launched over 20 new programs to assist in pandemic post-recovery. These programs include direct grant and/or loan funding to communities, non-profit organizations and eligible individuals in the areas of emergency rental assistance payments, mortgage foreclosure avoidance, eviction defense services, homelessness assistance and new affordable housing development throughout the state.

DOLA has established a culture within the Department that encourages collaboration and efficiency, both internally and in relationships with our customers (communities, community leaders and other partners) in advancing the interests and capabilities of local governments. DOLA is committed to advancing equity, diversity and inclusion in its programs, through ongoing staff training, programmatic assessments, and other strategies. As a department, DOLA seeks to build partnerships with local communities who are so critical to the success of the entire state..

# DOLA Overview – Authority and Structure

## Constitutional and Statutory Authority

### Department of Local Affairs (DOLA)

- Title 24, Article 32, C.R.S.

### Division of Property Taxation (DPT)

- Article X, Sections 3 and 15, of the Colorado Constitution
- Title 39, Articles 1-14, C.R.S.

### Board of Assessment Appeals (BAA)

- Article X, Section 3 and Article XII, Section 13 of the Colorado Constitution
- Title 39, Article 2, C.R.S.

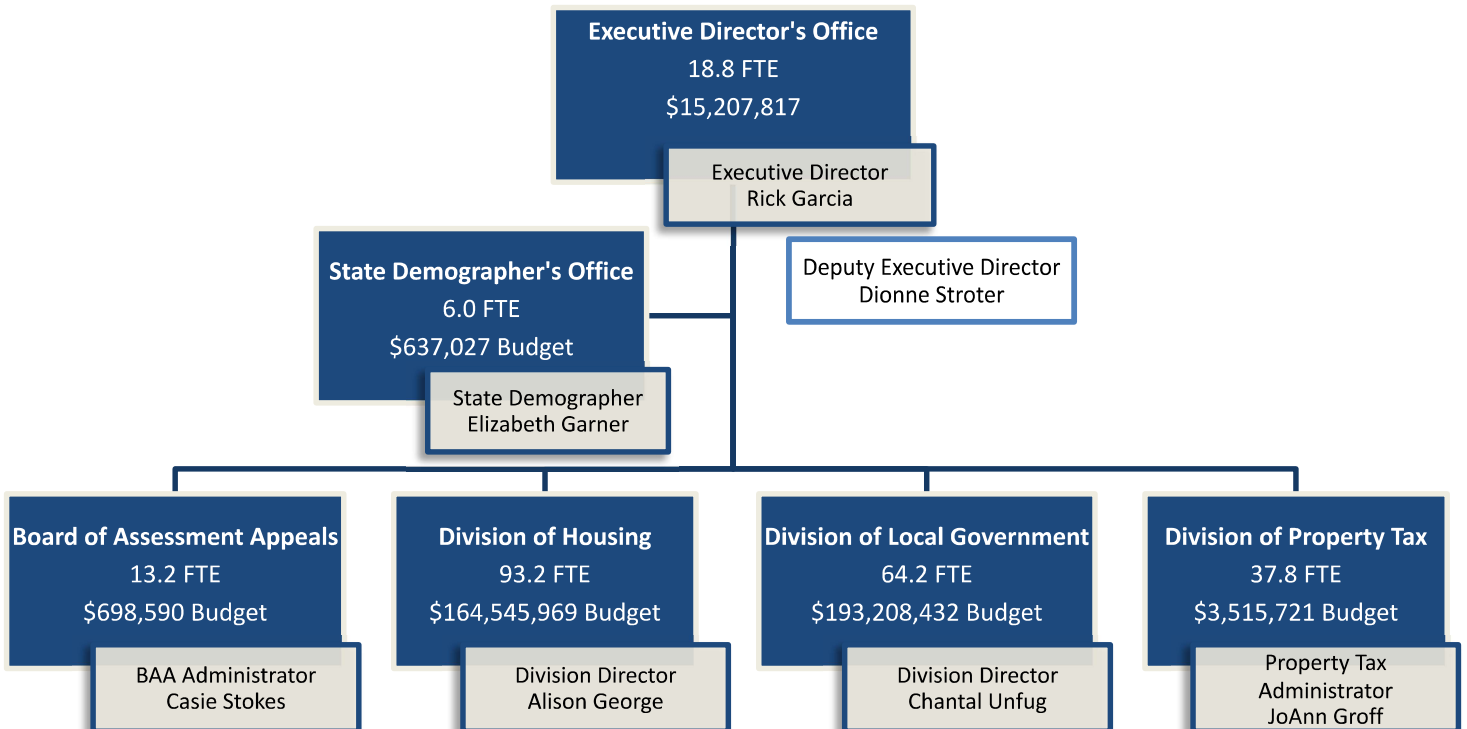
### Division of Housing (DOH)

- Title 24, Article 32, Section 702, C.R.S.

### Division of Local Government (DLG)

- Title 24, Article 32, Part 1, C.R.S.

## DOLA Organizational Chart FY 2023-24



# DOLA Budget and Appropriations

## FY 2023-24 Appropriation

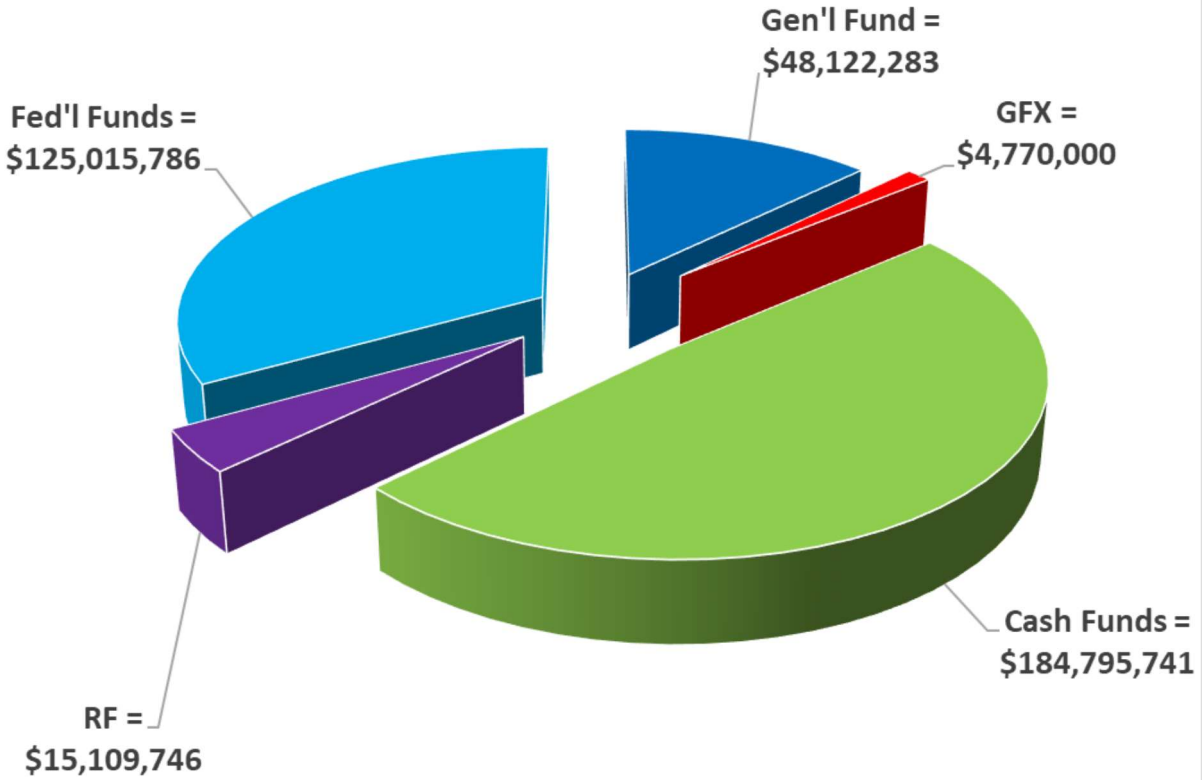
| Division                      | General Fund        | GFX                | Cash Funds           | Reappropriated Funds | Federal Funds        | Total                | FTE          |
|-------------------------------|---------------------|--------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| Exec Director Office          | \$4,768,044         | \$0                | \$3,098,104          | \$5,583,313          | \$2,395,383          | \$15,844,844         | 24.8         |
| Board of Assessment Appeals   | \$565,719           | \$0                | \$132,871            | \$0                  | \$0                  | \$698,590            | 13.2         |
| Division of Property Taxation | \$2,113,214         | \$0                | \$1,140,741          | \$261,766            | \$0                  | \$3,515,721          | 37.8         |
| Division of Housing           | \$31,673,318        | \$0                | \$24,645,319         | \$1,899,248          | \$106,328,084        | \$164,545,969        | 93.2         |
| Division of Local Government  | \$9,001,988         | \$4,770,000        | \$155,778,706        | \$7,365,419          | \$16,292,319         | \$193,208,432        | 64.2         |
| <i>Total</i>                  | <b>\$48,122,283</b> | <b>\$4,770,000</b> | <b>\$184,795,741</b> | <b>\$15,109,746</b>  | <b>\$125,015,786</b> | <b>\$377,813,556</b> | <b>233.2</b> |

## Fund Sources by Division

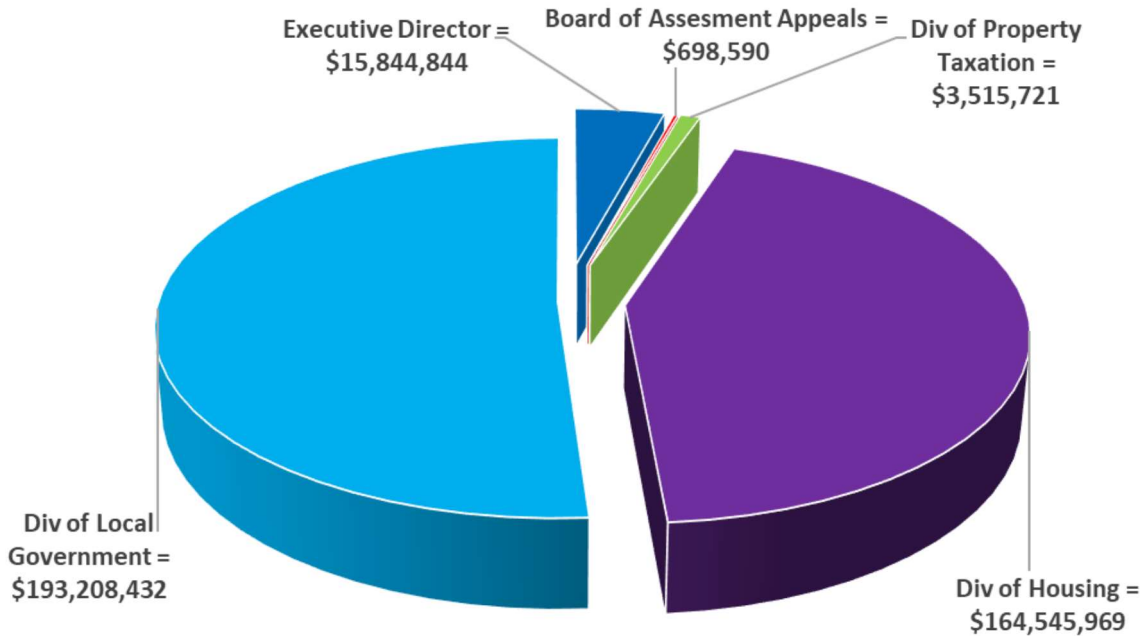
| Fund Sources by Division                                |  | Executive Director                             | Division of Property Taxation | Board of Assessment Appeals | Division of Housing | Division of Local Gov't |
|---|--|--|-------------------------------|-----------------------------|---------------------|-------------------------|
| State Funds   | General Fund   | •  | •                             | •                           | •                   | •                       |
|   | General Fund Exempt (associated with Volunteer Firefighter Pension Plans, Community Crime Prevention Initiative) |  |                               |                             |                     | •                       |
|   | Moffat Tunnel Cash Funds   |  |                               |                             |                     | •                       |
|   | Property Tax Exemption Cash Funds  | •  | •                             |                             |                     |                         |
|   | Board of Assessment Cash Funds   | •  |                               | •                           |                     |                         |
|   | Private Activity Bond Allocation Cash Funds  | •  |                               |                             | •                   |                         |
|   | Homeless Prevention Activities Program Cash Funds  | •  |                               |                             | •                   |                         |
|   | Financial Literacy Exchange Funds  |  |                               |                             | •                   |                         |
|   | Affordable Housing Development Funds   | •  |                               |                             | •                   |                         |
|   | Building Regulation Cash Funds   | •  |                               |                             | •                   |                         |
|   | Mobile Home Park Act Cash Funds  | •  |                               |                             | •                   |                         |
|   | Local Government Energy & Mineral Impact Funds   | •  | •                             |                             | •                   | •                       |
|   | Local Government Severance Tax Funds   | •  | •                             |                             | •                   | •                       |
|   | Conservation Trust Funds   | •  |                               |                             |                     | •                       |
|   | Local Government Limited Gaming Impact Funds   | •  |                               |                             |                     | •                       |
|   | Colorado Heritage Communities Grants   |  |                               |                             |                     | •                       |
|   | Departmental or State Indirect Cost Recoveries (State and Federal)   | •  | •                             | •                           | •                   | •                       |
|   | Water Pollution Control & Drinking Water Revolving Funds   | •  |                               |                             |                     | •                       |
|   | Marijuana Tax Cash Fund  |  |                               |                             | •                   | •                       |
|   | Federal Funds  | Community Development Block Grant Funds (CDBG) | •                             |                             |                     | •                       |
| Disaster Recovery / CDBG-DR                             |  | •  |                               |                             | •                   | •                       |
| Community Service Block Grant Funds                     |  |  |                               |                             |                     | •                       |
| Environmental Protection Agency Funds                   |  | •  |                               |                             |                     | •                       |
| Departmental Indirect Cost Recoveries (various Federal) |  | •  |                               |                             | •                   | •                       |
| Department of Justice Grant Funds                       |  |  |                               |                             | •                   |                         |
| Department of Housing and Urban Development Grant Funds |  |  |                               |                             | •                   | •                       |
| HUD-VA Grant Funds                                      |  |  |                               |                             | •                   | •                       |
| American Recovery and Reinvestment Act/SLFRF            |  | •  |                               |                             | •                   | •                       |
| Various Federal Funds                                   |  | •  |                               |                             |                     |                         |



### DOLA 2023-24 Appropriation by Fund Source (Total = \$377,813,556)



### DOLA 2023-24 Appropriation by Division (Total = \$377,813,556)



## FY 2023-24 DOLA Legislation

| <b>Division</b> | <b>Bill Number</b> | <b>Topic</b>   |
|-----------------|--------------------|--|
| DPT             | HB23-1184          | Low Income Housing Property Tax Exemption                      |
| DPT             | SB23-304           | Property Tax Valuation   |
| DPT             | HB23-1284          | Modifications to the Property Tax Deferral Program             |
| DLG             | SB23-016           | Greenhouse Gas Emission Reduction Measures                     |
| DLG             | SB23-072           | Sunset Defense Counsel First Appearance Program                |
| DLG             | SB23-287           | Public School Finance  |
| DLG             | SB23-210           | Update Administration of Certain Human Services                |
| DLG             | HB23-1299          | Justice Reinvestment Crime Prevention Initiative               |
| DOH             | HB23-1105          | HOA & Metro District Homeowner's Rights Task Force             |
| DOH             | HB23-1296          | Create Task Force to Study Rights of Persons With Disabilities |
| DOH             | HB23-1304          | Proposition 123 Affordable Housing Programs                    |
| DOH             | SB23-001           | Authority of Public-Private Collaboration Unit For Housing     |
| DOH             | SB23-082           | Colorado Fostering Success Voucher Program                     |
| DOH             | HB23-1232          | Extend Housing Toolkit Deadline                                |

# DOLA Strategic Framework Summary

## DOLA Mission

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

## DOLA Vision

Strengthen Colorado communities

## DOLA Tenets

### **Tenet #1: Assist customers in solving problems**

Respond to customers in a timely, effective and efficient manner  
Listen respectfully and strive to understand each problem or issue  
Facilitate dialogue to encourage collaborative and cooperative solutions  
Provide appropriate financial and technical assistance  
Connect each customer to the correct person in state government to assist in addressing each issue

### **Tenet #2: Fulfill regulatory responsibilities**

Be knowledgeable of the statutory and regulatory requirements for which we are responsible. Provide expertise to customers to help each comply with these requirements.  
Educate customers regarding the intent and application of these requirements.  
Ensure compliance with all requirements.  
Be consistent, fair and timely in the application of these requirements.

### **Tenet #3: Cultivate DOLA employees**

Develop DOLA employees professionally so that they can continue to improve service to customers as we encourage retention of effective employees.  
Recognize and reward employee performance.  
Engage employees to continually enhance the department's ability to deliver effective and efficient service to customers.

### **Tenet #3: Improve internal business systems**

Maintain an environment of continuous improvement.  
Collaborate across divisions and departments as well as with other stakeholders to improve business systems. Ensure use of appropriate and effective technology.  
Advocate for technological capabilities in alignment with customers' needs.

# DOLA Clients by Division



## Division of Property Taxation

- County assessors
- Assessment staff
- Exempt property owners
- Property taxpayers
- Property taxing authorities
- State-assessed companies
- County treasurers
- Boards of County Commissioners
- State Board of Equalization
- Colorado General Assembly



## Board of Assessment Appeals

- Property taxpayers
- Taxpayer representatives
- County assessors and attorneys
- County Boards of Equalization
- Boards of county commissioners
- State Property Tax Administrator



## Division of Housing

- Private for-profit and nonprofit housing organizations
- Housing authorities
- Colorado renters and homeowners
- Housing manufacturers
- Owners and potential owners of factory-built residential & non-residential structures
- Nonprofit independent living agencies
- Mental health agencies
- Chronically homeless individuals



## Division of Local Government

- Local governments
- State agencies
- Universities
- Private firms
- Nonprofit organizations
- Consultants
- General public
- Colorado renters and owners
- Business owners

*Local governments include municipalities, counties, special districts and regional councils of government*

## **DOLA Commitment to Inclusivity, Diversity, Equity and Accessibility (IDEA)**

The Department of Local Affairs commitment to Inclusivity, Diversity, Equity and Accessibility (IDEA) includes the development of a number of strategies and practices intended to improve equitable outcomes for our employees, stakeholders, customers and partners. As a liaison and service provider to local communities across Colorado, DOLA understands the challenges of delivering programs and funding to diverse populations with differing needs. DOLA also recognizes that historical inequities and systemic inequality have led to disparate impacts on underrepresented groups or populations, and addressing these issues requires a whole of government approach.

### **DOLA IDEA Vision**


The Department of Local Affairs embodies the ideals of equity, diversity and inclusion, recognizing that mutual respect results in a more productive workforce and just society.

### **DOLA IDEA Mission**


The Department of Local Affairs establishes, maintains and demonstrates equity, diversity and inclusion as core agency values and proactively implements policies that foster these values and reflects our communities, which translates to a more positive customer experience for our diverse clientele.

### **DOLA IDEA Guiding Principles**


The Department of Local Affairs (DOLA) welcomes and values the unique contributions of all employees in our diverse workforce and in the communities we serve. We expect the core principles of equity, diversity, and inclusion to be practiced by everyone without exception in our organization. DOLA will not tolerate discrimination, offensive behavior, or bullying. We stand on the foundation of ethics and the moral principle of valuing each individual.



DOLA will adopt and nurture an organizational culture where people working and engaging with us feel respected and comfortable being themselves, free from discrimination, offensive behavior, bullying, and retaliation.




DOLA will integrate an awareness of IDEA issues into its daily operations to reduce disparate impacts on protected classes as required by state and federal law.



To achieve a culture of inclusion, DOLA will make concerted efforts to reduce key barriers, informed by data led interventions, to ensure the representation of underrepresented people and sustain the improvements in the representation of women at senior levels.



DOLA will work to eliminate any unfair, unjustified and unnecessary hierarchical divisions within the department.



DOLA is committed to the continuation of an organizational culture that is inclusive, fair, allows for speaking up, manages disagreement and conflict constructively, and is empowered, optimistic and aligned to our values.

## DOLA Performance Evaluation – Q3/Q4 FY 2022-23

The Department of Local Affairs has identified several wildly important goals (WIGs) for FY 2022-23 and beyond. For this performance evaluation, the Department has updated progress on the initiatives identified in the FY 2022-23 Performance Plan that capture the Department's WIGs, and reflect the overall direction as identified by Department leadership. The updates reflect data as of May 31, 2023.

Additional detail for these, and other, WIGs is available in the Department's Performance Plan, which may be accessed here:

[DOLA 2022-23 Performance Plan](#)

### Operational Measures

**WIG 1: DOLA's Division of Housing will support the creation of at least 10,000 new affordable housing units by June 30, 2023.**

*Major Program Areas: Executive Director's Office, Division of Housing*

| Measure   | Baseline | Q1   | Q2   | Q3   | Q4    | Goal   |
|---|----------|------|------|------|-------|--------|
| <b>Number of new affordable housing opportunities*</b>  | 0        | 1727 | 4530 | 6293 | 8817* | 10,000 |
| Increase the number of affordable housing units, supported by State funds, in high opportunity areas to 2,000 by June 30, 2023. | 0        | 351  | 1597 | 2041 | 2912  | 2,000  |
| Generate 500 supportive housing units and services for persons experiencing homelessness by June 30, 2023.                      | 0        | 408  | 801  | 1034 | 1149  | 500    |

*\*cumulative totals as of May 2023*

**WIG 2: The Division of Local Government will implement 18 resiliency actions in accordance with locally-driven resiliency roadmaps by June 30, 2023.**

*Major Program Area—Division of Local Government*

| Measure   | Baseline | Q1       | Q2       | Q3        | Q4         | Goal      |
|---|----------|----------|----------|-----------|------------|-----------|
| <b>Number of resiliency actions implemented by June 30, 2023</b>  | <b>0</b> | <b>3</b> | <b>9</b> | <b>16</b> | <b>TBD</b> | <b>18</b> |
| Conduct 6 workshops to help local governments develop 16 regional economic resiliency plans by March 30, 2023 that include resilience-related metrics, baselines, and goals to be tracked by local governments. | 0        | 2        | 6        | 8         | TBD        | 6         |
| Develop 16 regional economic Resilience Roadmaps by March 30, 2023 that include resilience-related metrics, baselines, and goals to be tracked by regional teams.   | 0        | 2        | 13       | 15        | TBD        | 16        |

*\*cumulative totals as of May 2023*

**WIG 3: Provide funding to support development of 800 units of affordable housing in communities that adopt qualifying innovative housing and land use strategies by June 30, 2023.**

*Major Program Area—Division of Housing*

| Measure  | Baseline | Q1       | Q2       | Q3         | Q4         | Goal       |
|--|----------|----------|----------|------------|------------|------------|
| <b>Number of affordable housing units developed in communities that adopt qualifying innovative housing and land use strategies*</b>   | <b>0</b> | <b>0</b> | <b>0</b> | <b>969</b> | <b>TBD</b> | <b>800</b> |
| DOLA will fund local governments to adopt 60 qualifying strategies as a result of the Planning Grant awards by June 30, 2023.  | 0        | 0        | 79       | 0          | TBD        | 60         |
| By December 1, 2022, DOLA staff will provide project development assistance to all local governments who submit project ideas for the innovative affordable housing planning grants. | 0%       | 0%       | 100%     | 100%       | 100%       | 100%       |

## Challenges, Ecosystem and Process Improvements for FY 2022-.32

As a primary liaison with local communities, DOLA is in a unique position to support local governments, provide assistance to Coloradans in need of rental support or shelter, and act as a bridge for communities to access recovery and resiliency services and funding. The passage of the American Rescue Plan Act (ARPA) in early 2021 enabled states across the country to direct hundreds of millions of dollars in one time resources to programs and services that will continue to have impacts for years to come. As a primary recipient of these funds, DOLA worked closely with stakeholders, state legislators, and citizens to identify strategies that will improve the state's recovery, stabilize households, and build for the future. Affordable housing, supportive sheltering, infrastructure projects, resiliency planning, disaster recovery – all of these issues will be touched by these dollars. With the addition of more than \$600M in State and Local Fiscal Recovery Funds (SLFRF) allocated by legislation during the 2022 legislative session, DOLA is responsible for administering more than \$1.5B and over 25 new programs intended to support Colorado's pandemic recovery. This significant influx of transformational funds has led to a 500% increase in the department's overall budget and an almost 100% increase in projected FTE, which presents operational and administrative challenges for the entire department.

DOLA's ongoing focus on improving service delivery, streamlining processes, embedding IDEA practices, and responsible fiscal stewardship are evident in the department goals, budget, and staffing hierarchy.

### Process Improvements

#### Increased or Improved Digital Accessibility

1. DOLA redesigned its websites to meet digital accessibility standards and improve the user experience, resulting in a 95% or higher accessibility rating on many of its pages.
2. All DOLA staff have received training on providing digital accessibility, and a dedicated team of web administrators was created to manage the digital portfolio.
3. The BAA developed a process to create shared Google Drive folders for the Attorney General's office to save court of appeals filings to, making them instantly accessible to Board members and staff (replacing old process of emailing and paper files). BAA also secured access for Board members and provided training for OnBase web client (electronic case management system).

#### Customer Service

4. The BAA created and posted new resources on BAA website, including FAQs, a section of frequently used fillable forms, and a new webpage, "How the Appeals Process Works." to help petitioners navigate the property tax assessment appeals process.
5. DOH is working to improve the efficiency of its contracting processes. In 2022, it held a



Rapid Improvement Event (RIE) to layout and tackle areas for improvement. Beyond adding needed staff to meet the more than 500% increase in demand, improvements include new contract tracking and drafting software, hiring a contract closer to track documents and coordinate closings, and an option of non-negotiable documents that are quick to draft and close.

6. DLG created and has continued to build on a monthly Local Government - State coordinating call to improve information sharing between the entities, including sharing emerging State and federal funding opportunities. DLG also created a centralized online Local Community Funding Guide for resiliency and recovery.

#### IDEA Initiatives

7. All DPT staff participated in at least one Equity, Diversity, Inclusion training or event during the fiscal year.
8. DOLA completed a department wide assessment with an 85% participation rate, and the results of this assessment were used to create a 2 year IDEA blueprint.
9. DOLA also completed a program inventory and assessment to better understand how programs are reaching diverse populations throughout the state, and the department is in the process of creating an equity toolkit which will be focused on community engagement and outreach.
10. In 2021, the Department of Local Affairs, Division of Housing received \$175 million to help homeowners impacted by the COVID Pandemic. DOH's mortgage assistance program is called the Emergency Mortgage Assistance Program (EMAP). DOH recently contracted with a third party marketing firm to do targeted outreach for communities in need, but less likely to know about the program.
11. Additionally, EMAP recently expanded eligible expenses to include the payment of mobile home loans (AKA chattel loans) and lot rents. EMAP can now assist homeowners by paying down or paying off mobile home financing allowing for the transfer of title and/or enabling the refinance of loans to reasonable market rates. This new expanded eligibility will result in the preservation of naturally occurring affordable housing throughout Colorado while helping homeowners achieve housing stability.
12. DLG has embraced a multi-tiered and phased approach to IDEA including creating and implementing a Divisionwide program assessment tool, conducting 100% program assessments and now implementing programs policy guidelines and processes through an IDEA lens. DLG has also trained 100% of employees and specifically program managers in IDEA in funding programs. DLG also successfully submitted an IDEA panel workshop which was held at the Colorado City and County Managers Association.



## **DOLA Strategic Policy Initiatives/Wildly Important Goals – FY23-24**

The Department of Local Affairs, through its divisions, engages in numerous services to the State, many of which are spelled out in the State constitution or statutes. Yet there are certain functions, which are so fundamental that they warrant specific initiatives to advance the work of the Department in the coming year and three years into the future. These have been selected from a set of outcomes identified by the respective Divisions in the course of annual strategic planning and development of departmental Wildly Important Goals (WIGs).

**WIG #1**

**Renewable Energy Capacity & Savings**

**WIG #2**

**Land Use Reform**

**WIG #3**

**Shorten Housing Contracting Time**

**WIG 1:** DOLA will enable local communities to reduce their reliance on traditional energy sources by 11.4M kWh annually by investing in renewable energy production and energy savings projects by June 30, 2024.

| Baseline | FY 23-24 Target | FY 25-26 Target |
|----------|-----------------|-----------------|
| 0        | 11.4M kWh       | 18M kWh         |

Increasing the use of renewable energy sources is an important strategy for meeting the Governor’s goal of achieving 100% renewable energy by 2040, and through its grant programs DOLA hopes to incentivize communities to make investments in renewable energy products and resources.

Successful completion of this goal will result in greater climate resilience for Colorado communities. Some of the strategies that will support this goal include:

- Investment in infrastructure improvements in downtowns and other infill spaces
- Implementing the microgrids (MCR program)
- Supporting and funding renewable and resilient local government projects (EIAF)
- Creating net zero and energy efficient housing (DOH)
- Deploying smart growth land use (CDO and EIAF set-aside)
- Adopting modern energy codes (DOH/CEO) thus directing development in more sustainable development patterns and reducing long term Green House Gas (GHG) emissions and Vehicle Miles Traveled (VMT).

**WIG 2:** DOLA will assist new municipalities and counties to update their land use policies, resulting in 85 such jurisdictions changing their policies to reflect best practices by June 30, 2024.

| Baseline | FY 23-24 Target | FY 25-26 Target |
|----------|-----------------|-----------------|
| 20       | 85              | 105             |

Since 2022, more than 60 DOLA grantees have received funding to support the adoption of planning strategies, and about 20 of these grantees have implemented these strategies in their communities. With the remaining communities expected to adopt their strategies in the next two years, DOLA expects this work to support the Governor’s Bold Priority to empower the building of more housing by removing artificial barriers, in order to ensure Coloradans of any budget can attain housing and that new development is aligned with climate and water conservation goals.

Successful completion of this goal will make it easier to develop affordable housing by providing financial and technical assistance to local governments to reduce regulatory barriers and add incentives, resulting in increased affordability.

Strategies to support this goal include:

- Capturing the work of local governments that adopt strategies/policies that receive Strong Communities Land Use planning grants, 1271 Planning grantees, EIAF More Housing Now/Land Use Initiative and relevant regular EIAF planning grants, and Prop 123 planning funds (Fast Track) that count toward the goal
- Count local governments that adopt strategies that receive in-depth technical assistance, such as through EIAF-funded comp plans and land use/water planning work
- Implement technical assistance and planning grants to improve local government capacity, such as the Local Planning Capacity Development Program established as part of Proposition 123.

**WIG 3:** DOLA will decrease the median processing time for housing development grants and loans contracts from 240 days to 120 days (50% reduction) by June 30, 2024.

| Baseline | FY 23-24 Target | FY 25-25 Target |
|----------|-----------------|-----------------|
| 240      | 120             | N/A             |

In the affordable housing development loan process, the processing time to complete loan agreements can have a significant impact on the timing and completion of approved projects which ultimately affects the borrower's ability to complete a project on time. As part of the Governor's Priority to Build Housing Now, DOLA intends to reduce the amount of time spent on preparing and negotiating loan documents and streamline these processes to provide better service to borrowers and create housing units as quickly as possible.

Successful completion of this goal will enable borrowers/grantees to receive funds more quickly, resulting in fewer costly delays. It will also result in less interest paid on deals and reduced costs for bridge loans for borrowers.

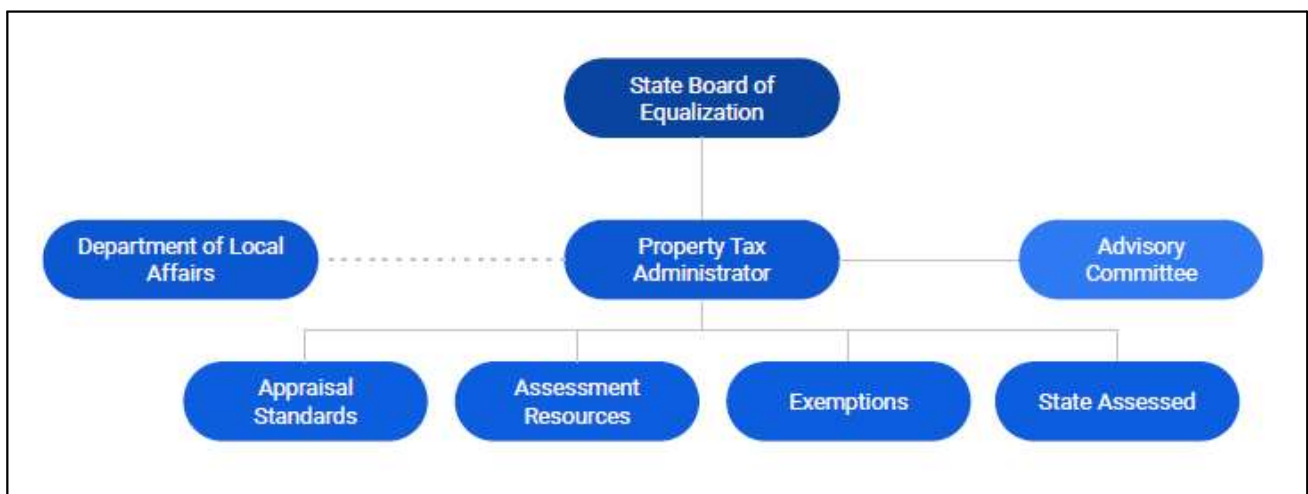
Strategies to support this goal include:

- Streamlining the contract handoff process
- Establishing more uniform contract templates and limiting revisions to these templates
- Working with applicants to ensure applications are complete and ready to move forward before presenting to the State Housing Board
- Procuring a contract workflow management system that is integrated with Salesforce and DocuSign
- Expanding current staffing of the Contract team within DOH
- Engage in partnership with an outside processor (CHFA) to help negotiate select contracts.

## Division of Property Taxation (DPT)

Under the general laws of Colorado, the **Property Tax Administrator** heads the Division of Property Taxation.

The Division's charge is to coordinate and administer the implementation of property tax law throughout the sixty-four counties of Colorado to ensure that valuations are uniform and that each property class is responsible for only its fair share of the total property tax obligation. This includes the granting of exemptions, valuation of public utilities for ad valorem taxation, providing technical assessment assistance, and promoting the equalization of property valuation.



To fulfill these responsibilities, the Division is divided into four sections:

### Appraisal Standards Section

Appraisal Standards prepares and publishes appraisal manuals, procedures and instructions. It holds schools and seminars regarding all areas of appraisal. It conducts field studies and provides statewide assistance in agricultural land classification, natural resources and personal property valuation, as well as assistance in the valuation of residential, commercial and industrial properties. The section assists in reappraisal efforts, reviews internal appraisal forms used by assessors, and investigates and responds to taxpayer complaints.

The Appraisal Standards section conducts four tested qualifying education courses to enable assessment appraisers to obtain an Ad Valorem Appraisal License. These classes are: Introduction to Ad Valorem Mass Appraisal, Basic Appraisal Principles, Basic Appraisal Procedures, and Uniform Standards of Professional Appraisal Practice (USPAP). This section currently offers five additional tested courses: Valuation of Vacant Land Present Worth, Advanced Income Approach to Value, Agricultural Land and Rural Structural Valuation,

Possessory Interest (Distance Education), and Vacant Land (Distance Education). The section also offers several non-tested courses and workshops throughout the year.

### **Administrative Resources Section**

Administrative Resources prepares and publishes administrative manuals, procedures and instructions. It conducts a number of classes and seminars regarding the administrative functions of the assessors' offices, including one tested course: Introduction to Assessment. It performs field studies and provides statewide assistance with issues such as tax increment financing, the administration and valuation of manufactured homes, senior and disabled veteran exemptions, classification of property, title conveyance, mapping, production of the Abstract of Assessment, certification of values to taxing entities, and the tax warrant. The section also investigates taxpayer complaints. It is responsible for various studies and reports such as fiscal impacts for Legislative Council, the residential assessment rate study and the Property Tax Administrator's Annual Report to the General Assembly and State Board of Equalization. It also coordinates with agencies having an interest in property taxation. In addition, the field staff works closely with assessors in all areas of property taxation. Administrative Resources is also responsible for approving or disapproving all petitions for refund or abatement of taxes in excess of \$10,000.

### **Exemptions Section**

The Exemptions section is responsible for determining qualification for exemption from property taxation for properties that are owned and used for religious, charitable and private school purposes. This section also reviews reports filed annually by exempt property owners to determine if the property's exempt status is still warranted. It also provides assistance to counties and taxpayers with inquiries about exempt properties, helps taxpayers with petitions to the State Board of Equalization, conducts hearings on exemption applications and revocations of exemptions, and defends appeals of its final decisions.

### **State Assessed Section**

The State Assessed section is the only area of the Division which regularly performs original valuation of property on an annual basis. The section values all public utilities doing business in Colorado as defined by statute, including rail transportation companies, airlines, non-renewable and renewable energy companies, telephone companies, and pipelines. The company valuations are then apportioned to the counties for collection of local property tax. Both county commissioners and public utilities may protest the value assigned to state assessed property, and may appeal to the Board of Assessment Appeals (BAA) or Denver District Court if the protest is not resolved at the Division level.



## Processes

*DPT Process #1:* Ensure the division treats all employees, constituents and others with respect, becoming and remaining aware of the tenets of Equity, Diversity and Inclusion.

*DPT Process #2:* Employee development

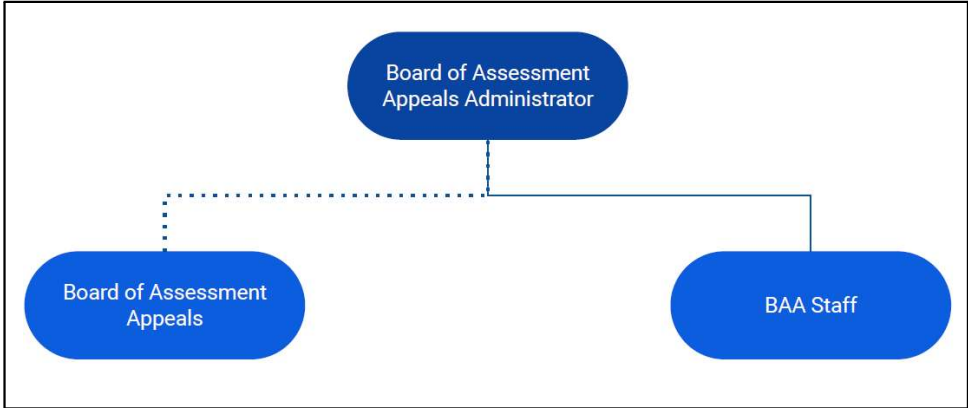
*DPT Process #3:* Education program for assessment staff

*DPT Process #4:* Determine qualification for initial and continued property tax exemption for religious, charitable and private school properties

*DPT Process #5:* Perform property valuation for public utilities as defined by statute, apportion to respective counties as well as defend those values when appealed at the Board of Assessment Appeals or district court

# Board of Assessment Appeals (BAA)

The **Board of Assessment Appeals (BAA)** hears appeals of the value and classification assigned to real and personal property for property tax purposes. The BAA is a quasi-judicial tribunal, consisting of Board members who serve as hearing officers in accordance with the Administrative Procedures Act. Board members are licensed appraisers, appointed by the Governor and confirmed by the State Senate. By statute, the Governor may appoint from three to nine members to the Board. There are currently nine members of the Board, to allow cases to be heard and decided on a timely basis. Board members conduct evidentiary hearings, and then apply statutes, case law, agency rules and guidelines, and appraisal principles to the issues before them to render written orders resolving the appeals. The BAA's decisions may be appealed to the Colorado Court of Appeals.



Appeals to the BAA are filed by taxpayers, called petitioners. Petitioners appeal from the decisions of two categories of respondent: Colorado counties, and the State Property Tax Administrator.

## Appeals from County Decisions

County assessors are responsible for classifying and valuing all property in their county except for exempt properties and state assessed properties. Taxpayers may appeal the assessors' classification and value decisions to the assessor and the **County Board of Equalization** (through a protest and adjustment appeal) or to the **Board of County Commissioners** (through an abatement and refund appeal). The decisions of the county may then be appealed to the BAA. The subject matter of county appeals ranges from single family home valuations to complex commercial property valuations. Appeals may also be filed with the BAA when a Board of County Commissioners or a County Board of Equalization has failed to make a timely decision on a matter properly presented.

## **Appeals from State Property Tax Administrator Decisions**

State assessed properties and exemption decisions are appealed to the State Property Tax Administrator. The decisions of the State Property Tax Administrator may then be appealed to the BAA. The subject matter of State Property Tax Administrator decisions include, for example, consideration of whether a property qualifies for property tax exemption due to religious use.

## **Electronic Case Management**

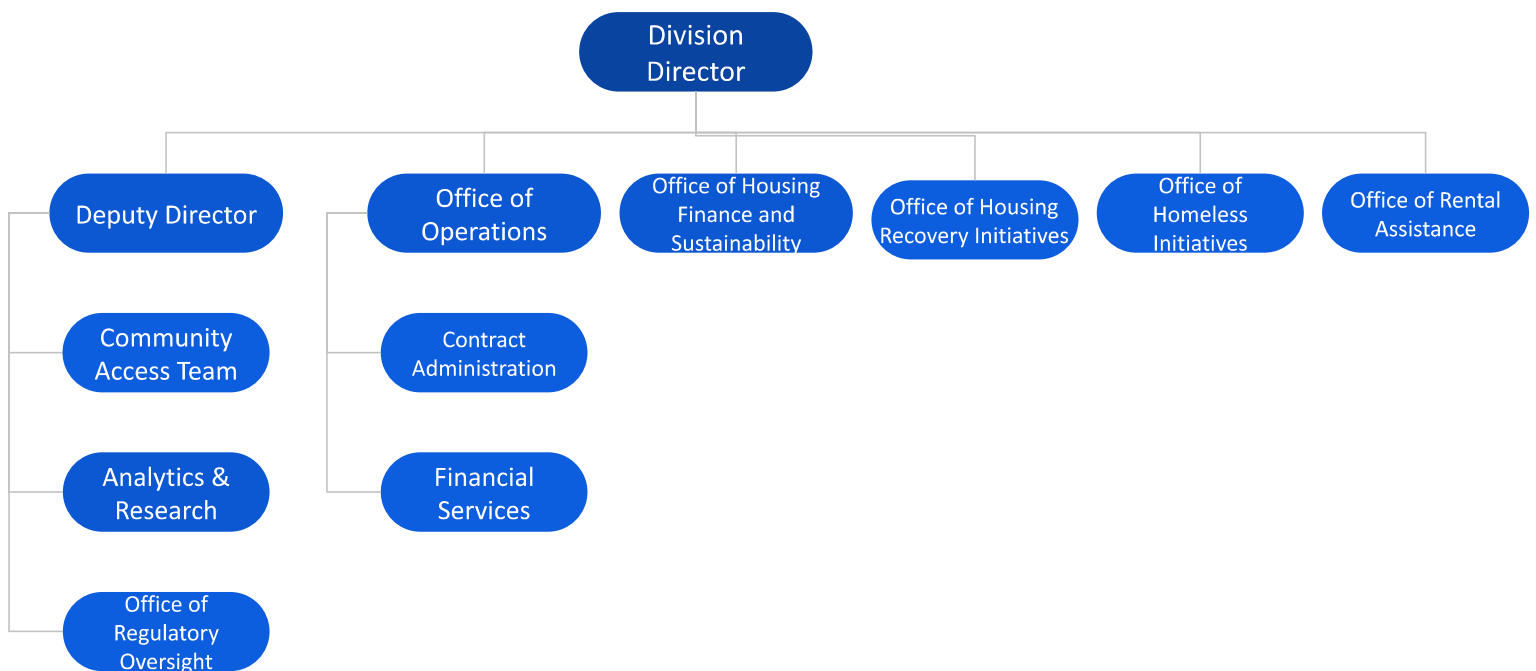
Appeals to the BAA must be filed electronically, within 30 days from the date of the decision that is being appealed, using the BAA's electronic case management system. The BAA collects a filing fee for all appeals other than a pro se taxpayer's first two appeals within a fiscal year. All case filings, including the final agency order, are made and served on other parties via the case management system. Case filings are searchable via a public access website, and decisions from the legacy case management system remain searchable via the BAA's website. The BAA's hearing schedule, Board rules, and educational materials are also posted on the BAA's website.

## **Processes**

*BAA Process #1:* Board of Assessment Appeals hearings and decision-making process

## Division of Housing (DOH)

The **Division of Housing (DOH)** works with a variety of partners to increase the availability of affordable housing to residents of Colorado. DOH provides grants, loans, rental subsidies and bond authority to local governments, housing authorities, non-profit organizations, for-profit and nonprofit developers, private landlords and other organizations to create, preserve and rehabilitate housing for Colorado's workers, families, seniors and those with special needs. DOH also certifies off-site manufactured structures built in or shipped to Colorado, including tiny homes, and approves multifamily, hotels, motels, and foundation construction in counties with no construction codes.



To assist in meeting the affordable housing needs within the state of Colorado, DOH administers the following grant, loan, and bond authority as well as manufactured housing programs:

- HOME Investment Partnership Grant/Loan Program
- Community Development Block Grant (CDBG) Program (including DR and CV)
- Emergency Solutions Grant (ESG) Program (including CV)
- Housing Opportunities for People with AIDS (HOPWA) Grant Program
- Housing Development Grant (HDG) Program
- Housing Development Loan Fund (HDLF)
- Homeless Solutions Program (HSP) (including MTCF)

- Shelter Plus Care Housing Program
- Private Activity Bonds (balance of State) Program
- Housing Choice Voucher programs, Homeownership and Family Self-Sufficiency Program
- Manufactured Housing Seller Registration Program
- Inspection and certification programs for all factory-built (modular and tiny homes) housing, commercial structures, and manufactured homes
- Consumer complaint service program for factory/manufactured structures
- Manufactured Home Installation Program
- Mobile Home Park Oversight Program
- Homeless Prevention Tax Check Off Program
- Supportive Residential Campuses including Fort Lyon, Ridge View and the Denver Metro Navigation Campuses
- Home Modification Program (Medicaid and State Tax Credit)
- State and Local Fiscal Recovery Funds (SLFRF)
- Emergency Rental Assistance (ERA 1 and 2)
- Homeowner Assistance Funds (HAF)

### **Colorado State Housing Board**

The **Colorado State Housing Board** (the Board) was created in 1970 to advise the General Assembly, the Governor, and DOH on Colorado housing needs. The eight member Board reviews financing requests and adopts policies to assist in the development of affordable housing. The Board also adopts regulations governing factory-built structures, tiny homes and multifamily housing in counties with no codes.

### **Preparation of Housing Strategic Plans**

DOH develops two housing plans annually that assist in setting the strategic plan for the Division. The **State Consolidated Plan** and the **Housing Choice Voucher Agency Plan** identify DOH strategies and goals to address affordable housing needs in Colorado communities. DOH relies on a number of resources and publications to identify the greatest needs for affordable housing in Colorado. These sources include a quarterly vacancy survey report, foreclosure report, household income report, housing needs assessments, US census-building permits, unemployment reports, economic growth report, public housing waiting lists and the homeless vulnerability index. Information from these reports is supplemented by data from the State Demographer's Office and outside sources. All the information referenced above is utilized in preparing the DOH Strategic Plan.

DOH's Office of Housing Finance and Sustainability has staff that works one-on-one with local communities throughout Colorado to identify housing needs, prepare housing strategies, identify potential housing projects and create financing packages for new

housing and to preserve existing housing. The team has staff throughout the state. The OHFS team works with other affordable housing funders (Colorado Housing and Finance Authority, Department of Housing and Urban Development, Rural Development, Mercy Housing, Enterprise Foundation, etc.) to identify and maintain a pipeline of potential affordable housing projects.

### **Livability Focus**

DOLA, in partnership with local governments and the public and private sector, is strategically linking each of its programs to improve people's lives in five areas: jobs, housing, transportation, education and environment. This is accomplished by leveraging program dollars and staff consultation within DOLA for our partners and stakeholders as well as strengthening coordination of services and funding resources from other state agencies. DOH's leadership and participation in this effort is essential.

Because safe and affordable housing is fundamental to the ultimate success of all Colorado communities, DOH will target a number of key objectives with the greatest emphasis on providing housing to those earning less than 50% of the Area Median Income.

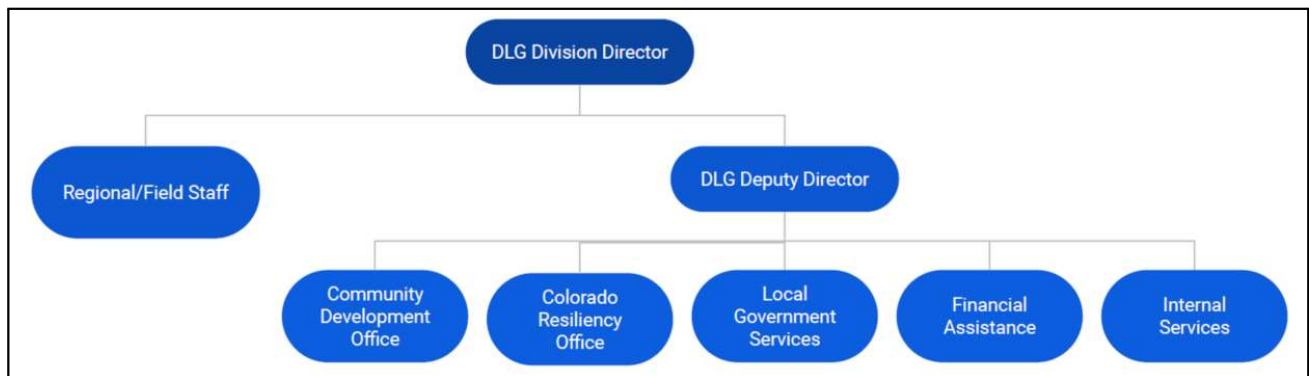
### **Processes**

- DOH Process #1:* Creation of additional affordable housing options for renters and homeowners, especially households in greatest need
- DOH Process #2:* Perform required building-department functions
- DOH Process #3:* Perform required housing authority functions
- DOH Process #4:* Perform required oversight of supportive residential campus operations

## Division of Local Government (DLG)

The Division of Local Government (DLG) provides strategic expertise, advocacy and funding to strengthen Colorado. The Division promotes local problem solving, informs decision-making and invests in the community.

Division staff members partner with local, state, and federal financial resources to empower communities at all times and provide essential guidance when communities encounter difficulties like natural disasters and economic shock.



In order to integrate the seamless delivery of technical, financial, and information services to local governments, the Division of Local Government (DLG) includes several organizational or functional areas:

### Invest in Communities

Local governments can obtain grants and loans from over 20 community development programs for their community priorities. Supported projects include planning and infrastructure strategies such as comprehensive land use plans, community and economic development plans, local water and wastewater improvements, local road improvements, municipal and county public facilities. DLG also administers several formula-based funding distributions.

### Promote local problem solving and inform decision-making

With a unique team of former city and county managers, department directors and elected officials, the Division's Field Services Team serves as a first point of contact to provide on-the-ground professional expertise and assistance. Working remotely from regional across the state, they also broker services and act as ombudsmen and women on behalf of DOLA and other state agencies. Local government officials receive training, individual support and professional expertise on any local government subject from multiple teams within the Division. Topics can include, for example, conduct of local elections, land use planning, downtown revitalization, budgeting, community visioning, financial management, property tax revenue limits, hands-on

project development from conception to completion, disaster recovery and long term resilience, and compliance with state statutes pertaining to local governments.

## **Disaster Recovery and Resilience**

In the event of a disaster, DLG's role in recovery efforts includes leading economic and community recovery and resiliency to stabilize and rebuild. The division also works with the local governments to establish, open and staff the Disaster Assistance Center (DAC), consult with the community on continuity of operations and resilient recovery strategies in land use, inclusive community planning and visioning, and rebuilding critical infrastructure.

DLG also coordinates the effective investment of multiple Disaster Recovery programs including **Community Development Block Grant – Disaster Recovery (CDBG-DR)** funds in response to the devastating fires of 2011, 2012 and 2013 and the historic floods of September 2013, as well as the more recent Marshall Fire in Boulder County. These flood recovery grant funds were provided through the U.S. Department of Housing and Urban Development (HUD) for approximately \$320 million. As of the end of FY22, that grant is over 99% expended. In May of 2022, the State received an additional allocation of \$7.4 million for the Marshall Fire. The Division also manages the Disaster Recovery and Rebuilding Grant program for State Declared Disasters. These recovery areas include both temporary and permanent housing, economic revitalization and the repair of damaged infrastructure with a focus on mitigating damages from future disasters. Additional emphasis is placed on smart growth and resiliency planning for a long-term, sustainable recovery.

### Processes

- DLG Process #1:* Collect multiple indicators to analyze and identify local governments to focus local Division resources.
- DLG Process #2:* Analyze and respond to local governments' operational needs
- DLG Process #3:* Administer discretionary and formula-based financial assistance programs
- DLG Process #4:* Ensure local governments' statutory compliance
- DLG Process #5:* Employee support and development
- DLG Process #6:* Expanded broadband service in rural communities
- DLG Process #7:* Provide recovery resources to households, businesses, and local governments to foster the long-term recovery of disaster-impacted communities.
- DLG Process #8:* Effectively monitor partner agencies and subrecipients to ensure compliance with all applicable federal rules and regulations.



## Executive Director's Office (EDO)

In general, the Executive Director's Office provides support to all Divisions to enable them to accomplish their strategic goals. This support includes but is not limited to:

- Assisting in developing program budgets and securing funding for program implementation
- Ensuring appropriate financial controls
- Advancing DOLA's legislative agenda
- Providing personnel management and opportunity for individual growth
- Coordinating external messaging
- Integrating Administration priorities
- Coordinating support from the Administration and other agencies.

The primary role of the Executive Director's Office (EDO) is to support and coordinate the Divisions within the Department. EDO also provides several key "back office" roles, thereby avoiding unnecessary duplication of effort within the Divisions. Among the activities provided by staff of the Executive Director's Office are:

### External Relations

#### Cabinet Representation

The executive director is a member of the Governor's Cabinet and supports the work of the Divisions by facilitating necessary partnerships with other departments of State government.

In 2022, in order to effectively administer the large influx of one time stimulus funding, DOLA was provided two Recovery Officers from the Office of Economic Development and International Trade (OEDIT). DOLA works closely with other cabinet members and recovery officers to ensure the timely, effective, and strategic distribution of stimulus funds.

#### Legislative Relations

The Department is an executive branch agency and provides legislative services both internally and externally. Internally, the Department reviews draft legislation for potential fiscal impacts to the Department or local governments. The Department also reviews introduced legislation in terms of the public policy that is addressed in the bill. The Department needs to closely coordinate this review with representatives of the Governor's staff. The Department may also propose that legislation be introduced to change the public policy or procedural issues contained in law. Externally, the Department may help to coordinate stakeholder meetings to evaluate the impact of draft legislation. The Department, in conjunction with the Governor's Office, may testify on State legislative bills as well as lobby state legislators on various bills.

#### Communications

The Department's Deputy Executive Director coordinates communications activities on behalf of the Department. In 2022 DOLA expanded the communications staff to include a Director of

Communications and Press Secretary/PIO. Internally, these positions help develop guidelines for disseminating information and outlining procedures to follow. Externally, this function guides strategy for responding to media inquiries, implementing use of social media, managing website content, coordinating outreach activities to stakeholder groups such as citizens, local, state and federal officials and their staffs, government associations and fellow state agencies.

## **Administrative/Operations**

### **Contracting**

The Department's Contracting Office provides support services primarily for the Divisions of Housing, Local Government and Disaster Recovery. Internally, this service ensures compliance with state and federal laws and efficiently obligates State resources to our customers through either a grant or loan. Externally, this service tracks the progress of our Contracts to completion.

### **State Demography Office**

This office creates, organizes and analyzes population and demographic information for the state. Its data are used by state agencies to forecast demand for facilities and services. Demographic data are also used by local governments and non-profit organizations in the state to anticipate growth or decline and to plan and develop programs and community resources. The office makes the data publicly available on DOLA's website, answers requests for economic and demographic data, and provides training workshops on accessing and using the data.

### **Financial Services**

#### **Budget**

The primary role of the Department's Budgeting Office is to provide timely and complete financial information and recommendations to support and to enable the Divisions and programs to make sound public policy and budget decisions. This role is carried out through eight core functions:

- Collaborate with Divisions and programs to develop reliable revenue estimates for the Cash Funds of the Department
- Team with programs to develop an accurate and defensible budget request
- Collaborate with programs to develop fiscal notes that accompany new legislation
- Liaise with OSPB and JBC to facilitate and monitor the legislative budget process
- Advocate for the Department's budget priorities and addressing issues of concern in that regard
- Monitor the execution of Department budget priorities, anticipate funding issues, and assist Divisions and programs with developing solutions; and
- Provide accurate and concise budget information.

## Accounting

The Accounting Office accounts for, reports on, and safeguards the financial resources of the Department in a manner consistent with professional standards and federal and state statutory requirements. Specifically, the Office:

- Issues accurate and timely financial information
- Issues timely and accurate payments to employees, vendors and other grant recipient reimbursements and service providers
- Ensures efficient procurement of goods and services in compliance with applicable laws, rules and regulations
- Seeks to improve Department fiscal operations by the adoption and implementation of best practices, policies and procedures
- Administers employee benefits as well as accurate and timely payrolls

## Human Resources

The Human Resources Office (HR) of the Department provides services to build a qualified and engaged workforce. HR provides a full-range of professional human resources services to the 220 employees, supervisors and managers. These services include, for example:

- Recruitment and selection
- Salary administration
- Job evaluation
- Organizational and staff development
- Personnel rule and statute interpretation
- Personal services contract review
- Performance management
- Workers' compensation and short-term disability claim management
- Maintaining personnel records

The services provided by the Human Resources Office help to ensure that the Department complies with requisite law while also retaining a qualified and motivated workforce. The HR Office works closely with the Department of Personnel & Administration, representing the Department's interests, to build a personnel system that provides an appropriate personnel system structure.

## Processes

*EDO Process #1:* Manage and administer annual department budget

*EDO Process #2:* Establish departmental goals and objectives

*EDO Process #3:* Liaison with statewide partners, stakeholders and policymakers

*EDO Process #4:* Manage departmental operations

*EDO Process #5:* Administer and distribute demographic reports and data, including coordination and support of the decennial census.

*EDO Process #6:* Manage federal stimulus funds, including oversight, reporting, program

monitoring, and performance management.

## Appendix A - Key Accomplishments FY 2022-23

1. Due to the 2020 referendum that took what had been referred to as the “Gallagher” amendment out of the constitution, there have been multiple legislative changes to property taxation law.
  - a. Division Staff have worked with county assessors and their staff to help guide changes necessary to implement SB22-238.
  - b. Additionally, certain staff worked with the Governor’s office, Legislative leadership, Legislative Legal Services and Legislative Council to help in the formation of SB23-303.
2. Through April 30, 2023, DOH received 80 applications requesting \$437.8M through its SLFRF Transformational Affordable Housing Grant (TAHG) NOFA. These applications have come from 33 different counties across the state and support a wide variety of projects including Homeownership, Rental, Shelter, Supportive Housing and Transitional Housing. DOH has awarded 16 projects a total of \$59.5M. Broken down by region, that is \$18.2M in urban counties, \$14.5M in Rural Resort counties and \$26.8M in Rural counties. As a result of this work, 366 mobility accessible and 155 sensory accessible units are projected to be created through this NOFA alone.
3. For the first round of the Division of Housing’s (DOH’s) Transformational Homelessness Response Grant Program Notice of Funding Availability (Homelessness Response NOFA) funded through SLFRF funds, DOH received 77 applications requesting over \$212M for the first round. DOH through the Colorado State Housing Board (SHB) on Tuesday, May 9, 2023 and Rick Garcia, Executive Director of DOLA approved the first set of 31 awards.
4. The Mobile Home Park Acquisition Fund (SB22-160) awards were presented to and approved by the State Housing Board (SHB) on May 9, 2023. Those awards were made to ROC USA Capital (\$12M) to assist with Mobile Home Park (MHP) acquisition financing for MHPs being acquired by their residents through a resident owned cooperative (ROC). Impact Development Fund (IDF) was awarded \$11.75M to assist with MHP acquisition financing for non-profit organizations or resident homeowner organizations. Additionally, Thistle Communities received a \$5M award to provide technical assistance (TA) to MHP communities seeking to acquire their parks as well as stabilization grants to communities who have successfully purchased their parks in order to limit lot rent increases on vulnerable homeowners.
5. 16 regional Rural Resilience Recovery Roadmaps with 160 communities were completed resulting in increased regional capacity and collaboration to advance prioritized strategies and projects to build community and economic resilience, supported by the State partnership team of DOLA, OEDIT, and CDLE.
6. A new grant program, Microgrids for Community Resilience, was developed and launched by CRO for municipal utilities and rural electric cooperative associations. A new collaboration of DOLA, CEO, and DORA was formed to move forward this program and

other energy resilience initiatives.

7. Main Street was awarded the 2023 Preservation Edge Award from Colorado Preservation Inc., for the DOLA Main Street Open for Business (MSOB) Grant Program. The MSOB program awarded nearly \$7M to 16 communities across the state which resulted in facade and energy improvements to 95 privately owned buildings, 13 were listed on the National or State register.
8. The Division of Local Government distributed over \$246.4m to over 800 grantees, to include counties, municipalities, special districts, school districts, food banks, foundations, universities, and state agencies for critical services, local infrastructure, economic and community development projects.
9. Successful legislative bill that extended the sunset of the Defense Counsel First Appearance (DCFA) program another 5 years. This program launched with the purpose of reimbursing in whole or in part, costs associated with the provision of defense counsel to defendants at their first appearance in municipal courts.
10. The Innovative Affordable Housing Strategies (HB21-1271) - This program has awarded 30 local government grantees statewide nearly \$38.8M to develop 2,820 affordable housing units. The Planning grant program has awarded 63 grantees (and impacting 40 additional local government partners) to adopt land use planning strategies, and a third have already adopted land use strategies to make it easier to develop affordable housing. The program also funded 6 rural communities to study the feasibility and prepare projects for financing and grant funding approval.
11. The Infrastructure and Strong Communities grant program developed land use best practices and is offering educational webinars for local governments. Infrastructure grants will be launched this summer, with planning grants launched this fall. Funding will support land use strategies that promote affordable housing and sustainable land use planning, and infrastructure elements of infill affordable housing projects.

## Appendix B – New Services/Programs FY 2023-24

### Division of Property Taxation

1. SB23-303 passed and was signed by the Governor. The largest parts of the bill are referred law, to be before the voters in November of 2023. Key for the division are two provisions:
  - i. The Property Tax Administrator will convene a task force to address simplifying and streamlining the application process for the value reduction to be granted to Primary Residence and Qualified Senior Primary Residence Real Properties beginning in 2025. The task force recommendations are to be submitted in a report to the General Assembly by January, 2024.
  - ii. The Property Tax Administrator in cooperation with the county treasurers will be submitting a report on or before September 15, 2023 to Colorado Legislative Council and the Colorado Department of Revenue. The report will contain estimates for each local governmental entity in the state of property tax revenue reduction for property tax year 2023 based on reductions in assessed value from SB22-238 and SB23-303 (if approved by the voters); and the estimated increase or decrease in assessed value for 2023 after reductions from SB22-238 and SB23-303 if passed.
2. The Division will be adding two new staff members to assist in the gathering and management of property tax data and conducting predictive analysis and forecasting for property valuation and taxation scenarios.
3. The Division will establish new rules and procedures for granting exemption to land bank properties owned by charitable organizations and used in conjunction with privately owned residential improvements targeted to low income owners.

### Division of Housing

1. For over three years, the Department of Local Affairs responded to the COVID Pandemic by administering the Emergency Rental Assistance Program (ERAP) which provided rental assistance to over 40,000 impacted households. With the emergency declaration expiration on May 11, 2023, DOLA is ending the Emergency Rental Assistance Program and shifting focus to long-term housing stability for renters throughout the state. DOLA intends to launch the Colorado Renters Stabilization Program (CRSP) in 2023 that will help families facing imminent risk of eviction with rental assistance and/or eviction prevention support.
2. Proposition 123: In November 2022, Colorado voters passed Proposition 123, a ballot measure authorizing the state to retain money from existing state tax revenue to support affordable housing investment. These funds are split 60/40 between the Office of Economic Development and International Trade (OEDIT) and the Department of Local Affairs (DOLA) through its Division of Housing (DOH), respectively. DOH manages the Affordable Housing Support Fund. OEDIT manages the Affordable Housing Financing Fund, in partnership with the Colorado Housing and Finance Authority (CHFA), which

serves as Contract Administrator.

DOLA is to receive 40% of the Prop 123 funds, which is estimated to be as follows for the next two years:

- Year 1 - \$61 million for this fiscal year (January 1st - June 30th)
- Year 2 - \$124 million next fiscal year (July 1, 2023 - June 30, 2024)

DOLA is to utilize these funds to administer three programs:

1. Affordable Home Ownership Program - up to 50% or \$30 million of the anticipated funds in year 1 and \$62 million in year 2
  - a. Acquisition/New Const/Rehab (Nonprofits, Local/Tribal govts., Comm Land trusts & CDFIs)
  - b. Mobile Home Park Acquisition (Groups or associations of mobile homeowners and their assignees)
  - c. RLF Programs: Owner Repair
  - d. RLF Programs: Down Payment Assistance
2. Program Servicing Persons Experiencing Homelessness - up to 45% or \$27 million of the estimated funds in year 1 and \$56 in year 2
  - a. Development of Supportive Housing
  - b. Other Activities: Outreach
  - c. Other Activities: Rapid Rehousing
  - d. Other Activities: Supportive Services
  - e. Development of Bridge Housing
  - f. Prevention: Rental Assistance
  - g. Prevention: Eviction Diversion
3. Local Planning Capacity Development Program - up to 5% or \$3 million of the estimated funds in year 1 and \$6 million in year 2 - this program is to be administered by the Division of Local Government
  - a. Grants to local and tribal governments to increase the capacity of their planning departments responsible for processing land use, permitting and zoning applications for housing projects

A local government or tribal government is first required to establish a baseline of affordable housing for its jurisdiction and submit a commitment to DOH to increase that baseline by 3% each year for a three-year commitment in order for Prop 123 funding to be made available for use in that jurisdiction. An exception to a required commitment to unlock funds is the homelessness program; an eligible entity other than a local government may apply for those funds to use in a jurisdiction that has not filed a commitment as long as those funds are tied to servicing people rather than buildings. Commitments are due by November 1. On May 10, DOH released its Baseline Assistance Tool as well as its form to file a commitment to allow local governments and tribal governments to establish a baseline and file a commitment well in



advance of the November 1 deadline.

#### Division of Local Government

1. DLG launched the Nonprofit Infrastructure Grant Program - A unique program that will disburse \$33M (SLFRF) across the state of Colorado to small community based nonprofit organizations supporting historically marginalized, underserved and under-resourced communities. Eligible nonprofits will apply for funds specifically to build their infrastructure and capacity through one of eight geographically located regional access partners who were selected by DOLA. All information about the program to include applications, scoring rubrics and even technical assistance will be provided in at least English and Spanish.
2. DLG is launching the Local Planning Capacity Development Grant program created by Proposition 123. The program will fund municipalities and counties in their work to adopt and implement an expedited (i.e., Fast Track) approval process for affordable housing projects. In FY 23-24 DLG expects to award approximately \$3M and, in collaboration with the Division of Housing, local governments, and developers, create guidance for local governments on how expedited approval processes can work that are compliant with Prop 123.