



## Department of Local Affairs FY2016 Annual Performance Evaluation (March 2016)

### Strategic Policy Initiatives

The Department of Local Affairs has identified several strategic policy initiatives for FY 2015-16 and beyond. For this performance evaluation, the Department is reporting progress on the selected initiatives that best capture some of the Department's strategic and operational priorities, and reflects the overall direction as identified by Department leadership. The report reflect data as of March 30, 2016.

Additional detail for these, and other, strategic policy initiatives is available in the Department's Performance Plan, which may be accessed [here](#).

#### **Community Development Block Grant - Disaster Recovery (CDBG-DR) funds successfully invested in impacted communities**

The Executive Director's Office Disaster Recovery unit provides recovery resources to households, businesses, and local governments to foster the long-term recovery for disaster-impacted communities through the effective implementation of programs funded under the HUD allocation of CDBG-DR. The principal customers of this initiative are households, businesses and local governments whose property or infrastructure was destroyed in the 2013 flooding. Were it not for these grants, some owners would be unable to rebuild or would have to undertake large-scale private borrowing. The one-year goal for funding provision is \$32.0 million; the three-year goal is \$60.0 million. The Executive Director's Office Disaster Recovery unit was able to invest \$7.8 million in impacted communities in FY 15. Excluding administrative expenses, the State has invested over \$54 million in the first three quarters of FY 16.

#### **Estimated new jobs generated by competitive grants (including leveraged funds)**

With the increase in competitive grant dollars leveraged and reported on by grantees, new jobs generated by competitive grants will increase for each grant dollar invested. The Division of Local Government (DLG) provides professional strategic consulting and technical assistance to communities to help them achieve their goals. Community development priorities are often achieved through grant funding. These grant funds, in turn, create jobs in communities thereby achieving community and economic development goals. The one-year goal for job growth is 3,093; the three-year goal is 2,968, reflecting variability in revenues. Based on economic modeling conducted by DLG, 3,800 jobs were created from the discretionary grants awarded.

#### **Increased affordable housing supply**

The Department works to increase financial resources for housing production. One of the primary roles of the Division of Housing (DOH) is collaboration with a variety of partners to increase the availability of affordable housing to residents of Colorado. This includes creating, preserving and rehabilitating housing for Colorado's workers, families, seniors and those with special needs. The one-year goal for this initiative is to increase affordable housing units by 3,620 in FY 2014-15, and by 4,120 in FY 2016-17. The Division of Housing was able to increase the supply of affordable housing units by 3,081 for the year-end; which was the same number as the July report.



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### Operational Measures

#### Major Program Area – Division of Housing Process - Perform required building-department functions

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY16 Actual	1-Year Goal	3-Year Goal
Percentage of residential plan reviews completed within 10 days	58.0%	75.0%	86.0%	%	%	86.0%	80.0%	TBA

The Division of Housing has the statutory responsibility to serve as the building department in areas not served by local building regulators. In addition to improving turnaround time, the division expects a steady rise in the number of requests. DOH was able to report 86.0 percent of plans reviewed within 10 days as its year-end results.

#### Process - Perform required housing authority functions

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2106	FY16 Actual	1-Year Goal	3-Year Goal
Percentage of housing vouchers leased annually	97.0%	92.0%	92.0%	88.0%	.0%	.0%	95.0%	TBD

The Division of Housing has the statutory responsibility to serve as a housing authority in areas not served by a local authority. The number of households and individuals continues to increase, so efficient use of this limited resource is vital to the division's mission. The percentage of housing vouchers leased annually is 92 percent, but voucher expenditures are 100 percent due to increase in rents for 2015.

#### Process - Perform required oversight of Ft. Lyon operations

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY16 Actual	1-Year Goal	3-Year Goal
Number of graduates relocating to permanent housing	New program, no actuals	New program, no actuals	57	59	??	??	125	TBD

Enrollment at the Fort Lyon supportive residential community for chronically homeless continues to grow. Graduation/relocation estimates are based on a projected 65 percent success rate. The Division reports that 57 Fort Lyon residents will be reintegrated into permanent housing; the same as reported in the July report.



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### Process - Creation of additional affordable housing options for renters and homeowners, especially households in greatest need

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY16 Actual	1-Year Goal	3-Year Goal
Total number of affordable housing units developed	1,003	3,129	3,081	2,002	??	??	4,120	TBD

Continuing increases in the numbers of low-income renters, homeless individuals, those with special needs, and those on Section 8 housing waiting lists necessitate ongoing development of new affordable housing units. There were 3,081 new units of affordable housing created by yearend, the same as the July report.

### Major Program Area – Division of Local Government (DLG)

#### Process - Maintain an effective and efficient system for ensuring public access to local government documents required to be submitted to the DLG

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY16 Actual	1-Year Goal	3-Year Goal
Cumulative number of local govt. docs digitized and available to view	28,000	45,870	63,443	76,277	??	??	64,000	74,000

Local governments, including special districts, are required to post certain documents with DOLA in order to make them readily accessible to public officials and the general public. DLG was able to digitize an additional 63,443 documents and post them on the website. This is slightly more than the July report as all documents were counted.

#### Process - Administer competitive and formula-based grant programs

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY17 Actual	1-Year Goal	3-Year Goal
Competitive grant dollars awarded in compliance with Federal and State standards	\$34.8 million	\$70.0 million	\$263 million	\$219 million	\$?? million	\$?? million	\$80.0 million	\$75 million

The one- and three-year goals for the administration of competitive grant dollars are estimated based on projected revenues. DLG awarded \$263 million in discretionary and formulaic grant awards to local governments in Colorado. This was slightly higher than the July report as all grant awards were tallied.



## Department of Local Affairs FY2016 Annual Performance Evaluation (March 2016)

### Process - Provide recovery resources to households, businesses and local governments to foster the long-term recovery of disaster-impacted communities

Measure	FY13 Actual	FY14 Actual	FY15 Actual	03/31/2016	06/30/2016	FY16 Actual	1-Year Goal	3-Year Goal
Dollars invested in housing recovery projects	New program, no actuals	New program, no actuals	\$7.8 million	\$30.7 million	\$\$\$ million	\$\$\$ million	\$20.0 million	\$10.0 million
Number of households receiving down-payment or rental assistance plus number of housing units created or rehabilitated	New program, no actuals	New program, no actuals	43	277	??	??	330	155
Number of businesses served	New program, no actuals	New program, no actuals	128	42	??	??	115	60
Number of infrastructure projects funded	New program, no actuals	New program, no actuals	0	46	??	??	40	20
Number of local plans completed	New program, no actuals	New program, no actuals	0	10	??	??	12	3

The Disaster Recovery / Community Development Block Grant (DR) program directs federal financial resources to the recovery of areas damaged by the 2013 floods. This is a new program, and therefore does not have actual outputs for the previous fiscal years. Any downward trends between the one- and three-year targets reflect the life cycle of federal disaster recovery grants.

The following information provides context for the data for the following measures:

**Dollars invested in housing recovery projects:** DR was able to invest \$7.8 million in housing recovery projects through FY 15. This is measured as all investments made through the Household Assistance Programs and the Housing New Construction Program.

**Number of households receiving down-payment or rental assistance plus number of housing units created or rehabilitated:** This measure includes households assisted through the Household Assistance Program and units created through Housing New Constructions. DR was able to assist 43 households either through down-payment assistance or rental assistance through FY 15. An additional 187 households have been served in this fiscal year and 90 units were created through the Housing New Construction Program.

**Number of businesses served:** Includes business, tourism and agricultural grants. DR served 128 businesses through FY 15 and an additional 42 were served in FY 16.

**Number of infrastructure projects funded:** 46 individual projects have received funds and 70% of round 1 dollars have been reimbursed, primarily to local communities. Additionally \$5 million were provided to DHSEM for FEMA PA cost share. This will free up additional, more flexible DEF funds. Round 1 projects will wrap up this quarter and round 2 projects have already been awarded.

**Number of local plans completed:** Numbers include 10 awards to local governments that will wrap up in the final quarter of FY 16. There were two additional awards for statewide planning efforts that will also be completed.



**Department of Local Affairs**  
**FY2016 Annual Performance Evaluation (March 2016)**

**FY2016 Performance Plan**

**FY 2016 Strategic Policy Initiatives**

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.

The strategic policy initiatives have changed since the FY14/15 plan. The new Executive Director reviewed the former initiatives and directed a reprioritization. This revised list includes two new initiatives and some restructuring of the three which are carrying forward. The Department believes that this new set is more reflective of the priorities for the coming years.

**Major Program Area: Division of Housing**

***Strategic Policy Initiative: Increase affordable housing supply***

Metrics	FY2014-15	FY2015-16	FY 2017-18	Cross Reference
Increased affordable housing supply (from previous year)	3,168	3,700	4,200	DOH Process #1 [Tenet #1]
<u>Strategy for improvement:</u> Increase financial resources for housing production, given our ability to efficiently deploy these and any additional funds which become available.				

***Strategic Policy Initiative: Improving quality of life for Fort Lyon residents in a cost-effective manner***

Metrics	FY2014-15	FY2015-16	FY 2017-18	Cross Reference
Percent of Fort Lyon residents obtaining employment	65%	65%	TBA <sup>1</sup>	DOH Process #4 [Tenet #1]
Percent of Fort Lyon residents returning to permanent housing	75%	75%	TBA <sup>1</sup>	
Amount of public cost savings	\$3,127,218	\$6,238,800	TBA <sup>1</sup>	
<u>Strategy for improvement:</u> Create a statewide referral system to identify vulnerable homeless individuals, provide permanent housing, offer medical care, job training, mental health and substance abuse treatment.				

<sup>1</sup> The Fort Lyon program is the first of its kind. Consequently, it is not possible to estimate long-range results until Colorado has more time and experience with this program.

## Major Program Area: Division of Local Government

### *Strategic Policy Initiative: Expand broadband service in rural communities*

Metrics	FY2014-15	FY2015-16	FY 2017-18	Cross Reference
Complete 14 regional broadband plans to identify key infrastructure needs and projects	3	TBA <sup>2</sup>	TBA <sup>2</sup>	DLG Process #10 [Tenet #1]
Fund 14 critical broadband infrastructure “middle-mile” projects to create increased connectivity in at least 28 communities	2	TBA <sup>2</sup>	TBA <sup>2</sup>	
<u>Strategy for improvement:</u> In partnership with the Office of Economic Development and International Trade and the Office of Information Technology, promote expanded broadband coverage in needed rural communities statewide by leading essential technical support and strategically investing \$30 million In essential regional planning efforts and critical “middle-mile” infrastructure.				

<sup>2</sup> This collaboration between multiple agencies is underway and may impact these future metrics.

<b>Strategic Policy Initiative: Expand broadband service in rural communities</b>				
<b>Metrics</b>	<b>Qtr1</b>	<b>Qtr2</b>	<b>Qtr3</b>	<b>TOTAL FY15-16</b>
Complete 14 regional broadband plans to identify key infrastructure needs and projects.	1	0	3	4
Fund 14 critical broadband infrastructure "middle-mile" projects to create increased connectivity in at least 28 communities.	4	4	0	8

***Strategic Policy Initiative: Additional Main Street Projects***

Metrics	FY2014-15	FY2015-16	FY 2017-18	Cross Reference
Add 20 new communities into the National Main Street program by 2020.	2	4	6	DLG Process #3 [Tenet #1]
Produce 2,155 net new direct, indirect and induced jobs by 2020 (self-reported)	215	603	866	
Net 450 new businesses by 2020 (self-reported)	45	57	81	
Strategy for improvement: Bring the total number of communities to 34 by adding 20 new communities into the National Main Street program to produce 2,155 net new direct, indirect and induced jobs; 450 new businesses; and leverage over \$37.5 million in public and private investment by June 30, 2020.				



<b>Strategic Policy Initiative: Additional Main Street Projects</b>				
<b>Metrics</b>	<b>Qtr1</b>	<b>Qtr2</b>	<b>Qtr3</b>	<b>TOTAL FY15-16</b>
Add 20 new communities into the National Main Street Program by 2020.	4	0	0	4
Produce 2,155 net new direct, indirect and induced jobs by 2020 (self-reported)	202	429	**	631
Net 450 new businesses by 2020 (self-reported).	24	31	**	55
**These numbers will not be available until May as communities have until the end of April to report these numbers to DOLA.				

### **Major Program Area: Disaster Recovery - CDBG**

#### ***Strategic Policy Initiative: Provide recovery resources through strategic partnerships***

<b>Metrics</b>	<b>FY2014-15</b>	<b>FY2015-16</b>	<b>FY 2017-18</b>	<b>Cross Reference</b>
<b>CDBG Disaster recovery funds successfully invested in impacted communities</b>	<b>\$9.1 million</b>	<b>\$54.0 million</b>	<b>\$60 million</b>	<b>DR Process #1 [Tenet #1]</b>
<u>Strategy for improvement:</u> Provide recovery resources to households, businesses, and local governments to foster the long-term recovery of disaster-impacted communities through the effective implementation of programs funded under the HUD allocation of CDBG-DR. Key traits of this effort are timeliness, quality, and administrative efficiency, while fully utilizing available funds.				

#### **FY 2016 Strategies and Operational Measures**

The Department has revised some of the measures within the FY2016-17 Performance Plan to better reflect the changes in department priorities and the ability to achieve the outcomes. The Plan is a living document that will be updated based on changing market conditions, better information and priority shifts.