

**Schedule 13**  
**Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 ☒ Base Reduction Item FY 2010-11 ☐ Supplemental FY 2009-10 ☐ Budget Amendment FY 2010-11 ☐

**Request Title:** South Central Region DOLA Office Lease

**Department:** Local Affairs

**Priority Number:** #1

**Dept. Approval by:**

**OSPb Approval:**

**Date:**

**Date:**

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
<b>Total of All Line Items</b>	<b>Total</b>	79,685	99,561	0	99,561	101,421	6,240	107,661	0	107,661	6,240
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	16,692	22,376	0	22,376	22,574	0	22,574	0	22,574	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	11,127	12,626	0	12,626	12,824	6,240	19,064	0	19,064	6,240
	FF	51,866	64,559	0	64,559	66,023	0	66,023	0	66,023	0
<b>(1) Executive Director's Office: Leased Space</b>	<b>Total</b>	79,685	99,561	0	99,561	101,421	6,240	107,661	0	107,661	6,240
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	16,692	22,376	0	22,376	22,574	0	22,574	0	22,574	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	RF	11,127	12,626	0	12,626	12,824	6,240	19,064	0	19,064	6,240
	FF	51,866	64,559	0	64,559	66,023	0	66,023	0	66,023	0

**Non-Line Item Request:** N/A

**Letternote Revised Text:** N/A

**Cash or Federal Fund Name and COFRS Fund Number:**

**Reappropriated Funds Source, by Department and Line Item Name:**

RF: Local Government Severance Tax Fund 152; RF: Local Government Mineral Impact Fund 153

Internal transfer from the Local Government Mineral and Energy Impact grants and Disbursements line within the department.

**Approval by OIT?** Yes: ☐ No: ☐ N/A: ☒

**Schedule 13s from Affected Departments:** N/A

**CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE**

Department:	Department of Local Affairs - DOLA
Priority Number:	DI - #1
Change Request Title:	South Central Region DOLA Office Lease

**SELECT ONE (click on box):**

- ☒ Decision Item FY 2010-11  
☐ Base Reduction Item FY 2010-11  
☐ Supplemental Request FY 2009-10  
☐ Budget Request Amendment FY 2010-11

**SELECT ONE (click on box):**

Supplemental or Budget Request Amendment Criterion:

- ☒ Not a Supplemental or Budget Request Amendment  
☐ An emergency  
☐ A technical error which has a substantial effect on the operation of the program  
☐ New data resulting in substantial changes in funding needs  
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Regional DOLA office need is 291 sq. ft. of office space to accommodate office, record storage, meeting room and public access areas. This space requires \$6,240 in additional reappropriated funds spending authority. The current office has been located in the Regional Manager's home for the past 7 years in Monte Vista, which does not allow easy access to the public or other department or state staff. Space could accommodate limited office and phone use and storage for other DOLA field agents such as Regional Manager's Assistants, Division of Housing and Division of Emergency Management field persons--who are officially housed elsewhere, but travel frequently to the San Luis Valley to serve those communities.

Background and Appropriation History:

Between May, 1992 and October, 1998, DOLA leased an office from the San Luis Valley Development Resources Group (SLVDRG) in Alamosa, paying \$5,500 annually. When the SLVDRG lost their lease and were forced to move, DOLA moved its regional office to Monte Vista. The Monte Vista office was located on Adams Street and was used as the regional office from November 1, 1998 through June 30, 2002 costing \$4,380

annually. Since 2002 the regional office is located at a state staff's private home. No official office space has been leased since that time.

The current arrangement does not provide access to local government customers and the public to conduct state business. The regional manager must search for borrowed space in order to conduct meetings with even small groups. Regional representatives and other staff from other divisions within DOLA face similar customer service restraints when conducting business within this region.

General Description of Request:

There is a need to have files accessible to other DOLA personnel and the public when the Regional Manager is not available. Professional meeting space will provide access to the public. In addition, a move to a central regional location will allow a "one-stop" setting for current and potential grant recipients and other clients working on community and economic development projects and programs. The current cost to administer the Impact program represents 2.2% of the Severance and Federal mineral Lease revenues that DOLA manages and with this change the cost to administer the program will remain at 2.2%.

Consequences if Not Funded:

Projects could be delayed or opportunities missed if information is not accessible to grantees or other local government customers. Grant pay requests and contract processing can be delayed without staff access to files kept in a private home when the Regional Manager is away from the office for longer periods of time.

Calculations for Request:

Summary of Request FY 2010-11	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$6,240	\$0	\$0	\$6,240	\$0	0.0
(1) Executive Director's Office: Leased Space	\$6,240	\$0	\$0	\$6,240	\$0	0.0

Summary of Request FY 2011-12	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Total Request	\$6,240	\$0	\$0	\$6,240	\$0	0.0
(1) Executive Director's Office: Leased Space	\$6,240	\$0	\$0	\$6,240	\$0	0.0

Cash Funds Projections: Based upon Legislative Council June 22, 2009 forecast (Millions of Dollars)

Cash Fund Name	Cash Fund Number	Revenue Estimate FY 08-09	Revenue Estimate FY 09-10	Revenue Estimate FY 10-11	Revenue Estimate FY 11-12
<u>Local Government Severance Tax Fund</u>	<u>152</u>	\$151.6	\$27.4	\$70.8	\$86.7
<u>Local Government Mineral Impact Fund</u>	<u>153</u>	\$91.5	\$47.4	\$53.2	\$61.7

Assumptions for Calculations:

1. Determine priority based upon cost and needs.
2. Used square footage standards for leased office space located in the Measuring Overall Space Use Efficiency in Leased Office Space guide required by the Department of Personnel & Administration, Division of Real Estate Services.
3. \$520 (50% of average monthly rent in table) per month x 12 months for 291 square feet = \$6,240. The 50% average was assumed because it closely matches other leased space agreements the department has in place. (Cost includes receptionist and use of landlord owned office equipment)
4. Utilize 8 separate monthly rents for space need. The following are recent lease rates in Alamosa for similar office accommodations.

<u>ADDRESS/NAME</u>	<u>LEGAL DESCRIPTION</u>	<u>MONTHLY RENT</u>	<u>GROSS ANNUAL RENT</u>
129 Santa Fe	EAP BLK 8 Lot 8	\$1,100.00	\$13,200.00
419 San Juan	BLK 38 Lots 17-18-19	\$400.00	\$4,800.00
418 State	BLK 40 N 101.2 of 31-32	\$900.00	\$10,800.00
202 Edison	BLK 16 L 1-2 N 20' of 3	\$1,000.00	\$12,000.00
402 San Juan	BLK 39 N 80' 1-3 & N4 of E33'	\$726.00	\$8,712.00
420 San Juan	BLK 39 Parcel A L31 & 32	\$2,500.00	\$30,000.00
512 La Due	BLK 54 Lot 28-32	\$1,200.00	\$14,400.00
237 Broadway	LOT 17 BLK 4 of Tr C Wells	\$500.00	\$6,000.00
	Average:	\$1,040	

Impact on Other Government Agencies:

There will be a positive impact on local governments within this 19-county region and other state government agencies like Governor's Energy Office, Division of Housing within DOLA, and the Colorado Office of Economic Development who will be able to share resources to serve the communities of South Central Colorado.

An office accessible to customers in Alamosa, the regional center of the San Luis Valley, will reduce the necessity for the regional manager to travel to assist in grant application development. Applicants who would otherwise be in town to conduct other business would be able to consult with staff at the leased space.

Cost Benefit Analysis:

Utilizing the estimated time savings resulting from reduced travel time and time used to find adequate space to meet with local government officials by the regional manager, at least 10 additional grants can be developed by allowing access to information for local government staff and other agencies to a centralized location for grantees to formalize action plans. When based upon historical information, ten grants equates to approximately \$5,000,000 (\$500,000/grant x 10 additional grants) in additional grants to this area of the State. Therefore, by providing \$6,240 of additional spending authority the state can realize \$5,000,000 in additional projects and 71 direct, indirect, and induced jobs, specifically in an area of the state that experiences some of the highest unemployment and lowest incomes.

Implementation Schedule:

Task	Month/Year
Announce location of office space	After final signature of Long Bill approval
Obtain Leased space	By July 1, 2010
Move files	July 2, 2010

Statutory and Federal Authority:

24-32-104. (1) C.R.S. (2009) The division shall perform the following functions: (c) Serve as a clearing house, for the benefit of local government, of information relating to the common problems of local government and of state and federal services available to assist in the solution of those problems; (d) Refer local government to appropriate departments and agencies of the state and federal government for advice, assistance, and available services in connection with specific problems.

Performance Measures:

Objective 4 Performance Measure	Outcome	FYE 6/30/08	FYE 6/30/09	FYE 6/30/10	FYE 6/30/11	FYE 6/30/12
Increase the number of jobs generated/retained through strategic investment of DLG financial resources	Jobs generated/retained per DLG dollar invested	3,686	7,375	unknown	unknown	unknown
	Actual	3,686	7,375	unknown	unknown	unknown