

Department of Local Affairs
Schedule 10
FY 2014-2015 Budget Request with Budget Amendments

Priority	Number	Request	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Net General Funds
1	R-1	Board of Assessment Appeals GF Refinance	0.0	\$ -	\$ 72,936	\$ (72,936)	\$ -	\$ -	\$ 72,936
1a	BA-1	Footnote: Economic Development Assistance to Rural Communities	-1.0	\$ (3,000,000)	\$ (3,000,000)	\$ -	\$ -	\$ -	\$ (3,000,000)
2	R-2	Housing Development Grant (HDG) Affordable Housing Program Request	2.7	\$ 4,186,869	\$ 4,186,869	\$ -	\$ -	\$ -	\$ 4,186,869
3	R-3	Division of Housing Long Bill Reorganization	0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	R-4	Downtown Revitalization Technical Assistance	0.0	\$ 4,000	\$ -	\$ -	\$ 4,000	\$ -	\$ -
5	R-5	Geothermal Energy Impact Grants	0.0	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Total- Department Change Requests			1.7	\$ 1,240,869	\$ 1,259,805	\$ (22,936)	\$ 4,000	\$ -	\$ 1,259,805
Non-Prioritized Change									
N/A	NP-1	Home Modification Administration- R7 Medicaid Community Living Initiative	1.8	\$ 272,099	\$ -	\$ -	\$ 272,099	\$ -	\$ -
N/A	NP-2	Annual Fleet Vehicle Request	0.0	\$ 12,089	\$ 12,089	\$ -	\$ -	\$ -	\$ 12,089
N/A	NP-3	Secure Colorado Phase II- Information Technology Security	0.0	\$ 20,298	\$ 20,298	\$ -	\$ -	\$ -	\$ 20,298
N/A	NP-4	Eliminate Redundant Application- Purchase of Services from Computer Center	0.0	\$ 17,301	\$ 17,301	\$ -	\$ -	\$ -	\$ 17,301
N/A	NP-5	Capitol Complex Network Resiliency- Colorado State Network	0.0	\$ 3,267	\$ 3,267	\$ -	\$ -	\$ -	\$ 3,267
N/A	NP-6	IT Service Management Ecosystem- Purchase of Services from Computer Center	0.0	\$ 20,194	\$ 20,194	\$ -	\$ -	\$ -	\$ 20,194
N/A	NP-7	IT Technical Development- Management and Administration of OIT	0.0	\$ 3,359	\$ 3,359	\$ -	\$ -	\$ -	\$ 3,359
N/A	NP-8	Annual Fleet Vehicle True-Up	0.0	\$ 13,208	\$ 11,887	\$ -	\$ 1,321	\$ -	\$ 11,887
Total Non- Priorities Change Requests			1.8	\$ 361,815	\$ 88,395	\$ -	\$ 273,420	\$ -	\$ 88,395
Grand Total Change Requests November 1, 2013 as Amended Jan 1, 2014			3.5	\$ 1,602,684	\$ 1,348,200	\$ (22,936)	\$ 277,420	\$ -	\$ 1,348,200

Department of Local Affairs
Schedule 11
FY 2013-14 Supplemental Budget Request

Priority	Number	Division	Request	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Net General Funds
1	S-1	(4) Division of Local Government, (B) Field Services Program Costs	Economic Development Assistance to Rural Communities	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N/A	NP-1	(1) Executive Director's Office, Vehicle Lease Payments	Annual Fleet Supplemental True-Up	-	\$ 13,208	\$ 11,887	\$ -	\$ 1,321	\$ -	\$ 11,887
Total- Departmental Supplemental Change Requests				-	\$ 13,208	\$ 11,887	\$ -	\$ 1,321	\$ -	\$ 11,887

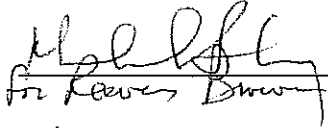

Department of Local Affairs
Schedule 12
FY 2014-15 Budget Amendment Request

Priority	Number	Division	Request	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Net General Funds
1	BA-1	(4) Division of Local Government, (B) Field Services Program Costs	Economic Development Assistance to Rural Communities	(1.0)	\$ (3,000,000)	\$ (3,000,000)	\$ -	\$ -	\$ -	\$ (3,000,000)
Total- Departmental Budget Amendment Requests				(1.0)	\$ (3,000,000)	\$ (3,000,000)	\$ -	\$ -	\$ -	\$ (3,000,000)

Schedule 13

Funding Request for the 2014-15 Budget Cycle

Department: Department of Local Affairs
Request Title: Annual Fleet Supplemental True-up
Priority Number: NP-8

Dept. Approval by:  **Date:** 12/26/13
OSPB Approval by:  **Date:** 12/30/13

- ☐ Decision Item FY 2014-15
☐ Base Reduction Item FY 2014-15
☒ Supplemental FY 2013-14
☐ Budget Amendment FY 2014-15

Line Item Information		FY 2013-14		FY 2014-15		FY 2015-16
	Fund	1 Appropriation FY 2013-14	2 Supplemental Request FY 2013-14	3 Base Request FY 2014-15	4 Funding Change Request FY 2014-15	5 Continuation Amount FY 2015-16
Total of All Line Items	Total	67,276	13,208	67,276	-	-
	FTE	-	-	-	-	-
	GF	60,482	11,887	60,482	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	6,794	1,321	6,794	-	-
	FF	-	-	-	-	-
(1) Executive Director's Office, Vehicle Lease Payments	Total	67,276	13,208	67,276	-	-
	FTE	-	-	-	-	-
	GF	60,482	11,887	60,482	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	6,794	1,321	6,794	-	-
	FF	-	-	-	-	-
() Long Bill Group, Line Item Name	Total	-	-	-	-	-
	FTE	-	-	-	-	-
	GF	-	-	-	-	-
	GFE	-	-	-	-	-
	CF	-	-	-	-	-
	RF	-	-	-	-	-
	FF	-	-	-	-	-

Letternote Text Revision Required? Yes: ☐ No: ☒ If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: Fund 152- Local Government Severance Tax Fund; and Fund 153-Local Government Mineral Impact Fund

Reappropriated Funds Source, by Department and Line Item Name: Local Government Mineral Impact Fund and Local Government Severance Tax Fund

Approval by OIT? Yes: ☐ No: ☒ Not Required: ☒

Schedule 13s from Affected Departments: DOLA portion of Statewide Annual Vehicle Lease Supplemental True-up

Other Information: Net Adjustments for Lease payments (newly financed vehicles less those paid off+mgmt fees)

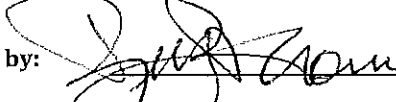
Schedule 13

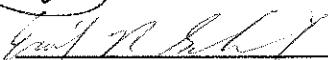
Funding Request for the 2014-15 Budget Cycle

Department: Department of Local Affairs

Request Title: Economic Development Assistance to Rural Communities

Priority Number: S-1, BA-1

Dept. Approval by:  12/30/13
Date

OSPB Approval by:  12/30/13
Date

- ☐ Decision Item FY 2014-15
☐ Base Reduction Item FY 2014-15
☒ Supplemental FY 2013-14
☒ Budget Amendment FY 2014-15

Line Item Information		FY 2013-14		FY 2014-15		FY 2015-16
		1	2	3	4	5
	Fund	Appropriation FY 2013-14	Supplemental Request FY 2013-14	Base Request FY 2014-15	Funding Change Request FY 2014-15	Continuation Amount FY 2015-16
Total of All Line Items	Total	5,344,543	-	5,420,466	(3,000,000)	-
	FTE	28.9	-	28.9	(1.0)	-
	GF	3,000,000	-	3,002,681	(3,000,000)	-
	GFE	-	-	-	-	-
	CF	104,796	-	107,254	-	-
	RF	1,945,826	-	1,996,219	-	-
	FF	293,921	-	314,312	-	-
(4) Division of Local Government, (B) Field Services, Program Costs	Total	5,344,543	-	5,420,466	(3,000,000)	-
	FTE	28.9	-	28.9	(1.0)	-
	GF	3,000,000	-	3,002,681	(3,000,000)	-
	GFE	-	-	-	-	-
	CF	104,796	-	107,254	-	-
	RF	1,945,826	-	1,996,219	-	-
	FF	293,921	-	314,312	-	-

Letternote Text Revision Required? Yes: ☐ No: ☒ If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: Local Government Limited Gaming Impact Fund (Fund 274)

Reappropriated Funds Source, by Department and Line Item Name: Local Government Mineral and Energy Impact Grants

Approval by OIT? Yes: ☐ No: ☒ Not Required: ☒

Schedule 13s from Affected Departments:

Other Information: FY 2013-14 Long Bill requested footnote:
 "Department of Local Affairs, Division of Local Government, Field Services, Program Costs - \$3 million General Fund and 1.0 FTE - It is the intent of the General Assembly that the General Fund appropriation to this line item remain available until the completion of the grant program, or the close of FY 2015-16, whichever comes first."



COLORADO

Department of Local Affairs

Priority: S-1, BA-1
Economic Development Assistance to Rural
Communities
FY 2013-14 Supplemental/FY 2014-15 Budget
Amendment Request

Cost and FTE

- In FY 2013–14, the Division of Local Government (DLG) requests that the Long Bill be amended to add a footnote on the Field Services Program line to allow the \$3.0 million General Fund appropriation and 1.0 FTE to be available for three fiscal years (FY 2013-14 through FY 2015-16).
- This request does not increase the total appropriation for the project and makes the amount contained in the FY 2014-15 continuation budget request unnecessary; therefore this request includes a reduction of \$3.0 million General Fund and 1.0 FTE in the FY 2014-15 budget request.

Current Program

- The Rural Economic Development Initiative is jointly administered by DLG and the Governor's Office of Economic Development and International Trade (OEDIT). This is the first year of a multi-year grant program intended to assist rural communities to increase their economic diversification to better withstand economic downturns and to provide business incentives to expand business opportunities.
- While communities with corrections facilities were given preliminary access, all rural communities that are overly reliant on a single major employer are eligible, and projects or business incentives may include supporting other major employers or key industries. As of December 2013, fourteen rural communities and their associated sixteen projects with a request value of \$3.5 million are being processed for award consideration.

Problem or Opportunity

- As currently appropriated, program funding for the FY 2013-14 Long Bill does not extend beyond 30, 2014; however, the projects that will be funded through these grants are multi-year in nature.
- Clear Legislative intent is needed to allow this multi-year grant program to operate as intended. Without secure funding, DOLA and OEDIT are unable to grant and oversee business incentive and infrastructure awards for any projects that extend beyond the end of the current fiscal year.

Consequences of Problem

- Business incentives and infrastructure capability are often the key ingredients that these communities need to enable them to sufficiently diversify and attract and/or sustain business opportunities. Non-availability of grant dollars beyond FY 2013-14 will prevent these rural communities from benefiting from these moneys to use as requested.

Proposed Solution

- DOLA proposes to add a footnote to the existing appropriation to allow this appropriation to assist in meaningful economic development of rural communities for up to three fiscal years.
- As indicated in the initial request, through a combination of business incentive awards and reimbursements of expenses for key infrastructure projects, the appropriation needs to be extended beyond the current fiscal year to allow grant awards in FY 2014-15 and FY 2015-16. These grants will be awarded for multi-year community infrastructure projects. Explicit intention through a footnote will allow funding for multiple fiscal years and an adequate reimbursement and evaluation process to occur.



COLORADO

Department of Local Affairs

John W. Hickenlooper
Governor

Reeves Brown
Executive Director

FY 2013-14 Supplemental / FY 2014-15 Budget Amendment | January 2, 2014

Department Priority: S-1, BA-1

Request Detail: Economic Development Assistance to Rural Communities

Summary of Incremental Funding Change	Total Funds	General Fund
Economic Development Assistance to Rural Communities – FY 2013-14 Addition of Footnote	\$0	\$0
Economic Development Assistance to Rural Communities – FY 2014-15 Budget Amendment	(\$3,000,000)	(\$3,000,000)

Problem or Opportunity:

The Department of Local Affairs (DOLA) requested and received \$3.0 million General Fund for two years beginning in FY 2013-14 for the administration of a grant program to grow and diversify the economies of rural communities, with a strategic emphasis on communities that are overly-dependent on a single large employer. The program is to be administered in partnership with the Governor's Office of Economic Development and International Trade (OEDIT). As currently appropriated, program funding in the FY 2013-14 Long Bill (S.B. 13-230) does not extend beyond June 30, 2014; however, the projects and business incentives that will be funded through these grants are multi-year in nature. While the Department requested a two year program that was funded in the FY 2013-14 Long Bill, the Office of the State Controller has recently indicated that, based on State Fiscal Rules, the program requires explicitly clear Legislative intent to allow this multi-year grant program to operate as intended. Without a footnote explicitly indicating that the funds are available beyond the end of this fiscal year, the Department and OEDIT are unable to grant and oversee business development, job training and infrastructure awards for any projects that extend beyond the end of the current fiscal year. Business incentives and infrastructure capability are often the key ingredients that these communities need to enable them to sufficiently diversify and attract and/or sustain business opportunities. Non-availability of grant dollars beyond FY 2013-14 will prevent these rural communities from benefiting from these moneys as intended.

Background

Senate Bill 13-230 included \$3.0 million and 1.0 FTE to jointly develop and administer a General Funded grant program to grow and diversify the economies of rural communities, with a strategic emphasis on communities that are overly-dependent on a single large employer such as a state prison facility. This initiative recognizes the vulnerability of rural communities to losses of key industries, and partners OEDIT and the Division of Local Government in DOLA to assist eligible rural communities in the development of business opportunities and infrastructure projects that mitigate the economic impacts resulting from potential closure. These mitigation strategies extend beyond the focus of the immediate losses of industry related jobs to include:

- Reductions in tax revenues collected supporting local government services to the community;
- Loss of other jobs dependent upon income generated by the economic activity generated by the recently lost employer;
- Reductions in school funding as these former employees relocate to other communities in search of employment; and
- Downward pressure on the local real estate market from the sale of additional homes.

The Department recognizes that few, if any, of these rural communities have adequately planned for a possible future without their large employer and need assistance to formulate viable transitional strategies. In order to assist rural communities to grow and diversify their economies, the program employs four primary strategies:

- Facilitate the identification of community and economic development opportunities through assessments and studies;
- Utilize broad stakeholder meetings to identify and leverage existing plans and strategies to enhance the community;
- Provide competitive funding for business development and expansion, as well as infrastructure investment to support business development; and
- Provide competitive grant funding for income assistance vouchers and for job training needs to enhance business recruitment for eligible rural communities.

Status of Current Program

This program, the Rural Economic Development Initiative (REDI), is a top priority for both the Department and OEDIT. Since early on in the current fiscal year, the program manager has been actively engaged with Colorado's local communities and has partnered with the Department to establish the program guidelines and grant processes. The REDI program was successfully rolled out across Colorado in October of 2013. To date, the REDI program is assisting rural communities in the development of sixteen funding applications totaling \$3.5 million (the demand for grant funding exceeds the available appropriation). Grant awards for infrastructure and business facilities projects (e.g., business location and expansion) are expected to begin by the end of February of 2014. Along with its planned administrative expenses, provided that explicit intent is in the Long Bill, REDI anticipates that \$500,000 in grants and incentives will be expended by June 30, 2014, with the remaining amounts utilized in FY 2014-15. Funding availability through FY 2015-16 is needed for final program monitoring, project completions and contract closeout.

Highlights and Projected Timeline:

- August 2013 - Program manager hired
- September 2013 - Established grant criteria, guidelines, processes, materials
- October and November 2013 - Outreach to all rural communities with a corrections facility (including those recently closed)

- November and December 2013 - Follow-up with rural communities and identify private sector and local government project opportunities and assist them with project development; intake of several preliminary applications for funding
- January through June 2014 - Project development and consideration for funding; grant awards; program monitoring; statewide analysis and outreach to communities reliant on a single major employer
- June through December 2014 - Interim program evaluation and project monitoring
- January through June 2015 - Course corrections as necessary; continued project development and awards; program monitoring
- July 2015- June 2016 – Program monitoring, reporting, close-out

Table 1 below illustrates the community requests for projects in development, grouping them by planning and management region (applications and pre-applications received to date). Projects include infrastructure projects which support business expansion/location, business expansion construction costs, income assistance vouchers and more. The requests for funding exceed the available appropriation for grants.

Table 1: Community Requests Under Consideration to Date for Multi-Year Projects, Grouped by Planning and Management Region

Number of Applications	Planning and Management Region	Requested Amount
3	Region 1	\$875,000
1	Region 2	\$200,000
2	Region 5	\$250,000
2	Region 6	\$320,000
2	Region 10 (including request for income assistance vouchers)	\$260,000
2	Region 11	\$400,000
3	Region 13	\$945,000
1	Region 14	\$250,000
16	Total	\$3,500,000

Proposed Solution:

In FY 2013–14, the Department requests that the Long Bill (S.B. 13-230) be amended to add a footnote to allow the \$3.0 million General Fund appropriation to be available for three fiscal years (FY 2013-14 through FY 2015-16). The Department requests that a footnote be added to the Division of Local Government, (B) Field Services, Program Costs line item that reads:

“Department of Local Affairs, Division of Local Government, Field Services, Program Costs - \$3 million General Fund and 1.0 FTE - It is the intent of the General Assembly that the General Fund appropriation to this line item remain available until the completion of the grant program, or the close of FY 2015-16, whichever comes first.”

This request explicitly defines the legislative and programmatic intent to fund these grants to rural communities to help diversify the economies of Colorado's rural communities that are overly dependent on a single large employer. The program requires funding availability through FY 2015-16 for project completion, final monitoring and contract closeout.

This request does not increase the total appropriation for the project and makes the continuation funding contained in the FY 2014-15 budget request unnecessary. The \$3.0 million General Fund in continuation funding was necessary to allow for the continuation of the program over two years, to include multi-year project support as was envisioned in the Department's FY 2013-14 funding request, R-2 Economic Assistance to Rural Communities. With the addition of explicit authority in a footnote included in the FY 2013-14 Long Bill, the requested continuation funding will no longer be needed to ensure the support of the REDI program and its administration. Therefore, this request includes a reduction of \$3.0 million General Fund and 1.0 FTE in the FY 2014-15 base budget (Field Services Program Line) as submitted in the November 1 budget request.

Anticipated Outcomes:

The addition of a footnote to the FY 2013-14 Long Bill will provide explicit legislative intent consistent with fiscal rules so that the grant program may be adequately administered and evaluated in a manner consistent with the multi-year nature of the locally requested business facility and community infrastructure projects.

As indicated in the initial request, through a combination of strategic awards for businesses to locate or expand, and for reimbursements of expenses for key infrastructure projects, the appropriation needs to be extended beyond the current fiscal year to allow grant awards from FY 2013-14 through FY 2015-16. These grants will be awarded for multi-year community infrastructure projects and business performance based business projects. Funding for multiple fiscal years will allow an adequate reimbursement and evaluation process to occur. The Department is requesting the extension of time through FY 2015-16 for project completion and contract closeout due to the need for multi-year planning and contracting processes for infrastructure and business projects.

Specific anticipated outcomes:

1. 100% of affected communities with corrections facilities will have had stakeholder meetings and an opportunity to submit applications for performance-based business grants or infrastructure enhancement.
2. Increased diversification of businesses and economies (measured by the number of new business types and the percent change in existing businesses).
3. An increase in public and private investments which result in the creation of new or higher paying jobs within five years.

Assumptions and Calculations:

The Department's FY 2013-14 funding request (attached), R-2 Economic Assistance to Rural Communities, outlines the assumptions and intentions of the program.

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The FY 2013-14 Long Bill did not contain explicit legislative intent to ensure that program funds could be expended beyond June 30, 2014 (as intended by the program). In December 2013, the Department became aware of the need for explicit intent as it was discussing the fiscal requirements related to the first phase of grant awards of the REDI program with the Office of the State Controller (OSC). The Department determined that both a FY 2013-14 supplemental and FY 2014-15 budget amendment were required for remedy.

Attachment

Schedule 13

Funding Request for the 2013-14 Budget Cycle

Department: Department of Local Affairs

Request Title: Assistance to Rural Communities

Priority Number: R-2

Dept. Approval by: Michael Farley 11/01/2012

Date

OSPB Approval by: *Carol M. ...* 11/1/12

Date

- ☒ Decision Item FY 2013-14
☐ Base Reduction Item FY 2013-14
☐ Supplemental FY 2012-13
☐ Budget Amendment FY 2013-14

Line Item Information		FY 2012-13		FY 2013-14		FY 2014-15
		1	2	3	4	6
	Fund	Appropriation FY 2012-13	Supplemental Request FY 2012-13	Base Request FY 2013-14	Funding Change Request FY 2013-14	Continuation Amount FY 2014-15
Total of All Line Items	Total	2,344,543		2,344,543	3,000,000	
	FTE	27.9		27.9	1.0	
	GF				3,000,000	
	GFE					
	CF	104,796		104,796		
	RF	1,945,826		1,945,826		
	FF	293,921		293,921		
Division of Local Governments, (B) Field Services	Total	2,344,543	-	2,344,543	3,000,000	-
	FTE	27.9	-	27.9	1.0	-
	GF	-	-	-	3,000,000	-
	GFE	-	-	-	-	-
	CF	104,796	-	104,796	-	-
	RF	1,945,826	-	1,945,826	-	-
	FF	293,921	-	293,921	-	-

Letternote Text Revision Required? Yes: ☐ No: ☒ If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number:

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes: ☐ No: ☒ Not Required: ☒

Schedule 13s from Affected Departments:

Other Information:



DEPARTMENT OF LOCAL AFFAIRS

John W. Hickenlooper
Governor

FY 2013-14 Funding Request
November 1, 2012

Reeves Brown
Executive Director

Signature

Date

Department Priority: R-2
Economic Development Assistance to Rural Communities

Summary of Incremental Funding Change for FY 2013-14	Total Funds	General Fund	FTE
Economic Development Assistance to Rural Communities	\$3,000,000	\$3,000,000	1.0

Request Summary:

The Department of Local Affairs (DOLA) is requesting \$3,000,000 General Fund for two years beginning in FY 2013-14 for the administration of a grant program to grow and diversify the economies of rural communities, with a strategic emphasis on communities that are overly-dependent on a single large employer, such as a state prison facility. A need for such strategies and diversification exists regardless of prison closure or loss of key industries to be as proactive as possible in ensuring the economic health of rural Colorado. DOLA will employ four strategies in this proactive effort: 1) Community asset analysis; 2) Stakeholder convening for solution development; and 3) Competitive grant funding to provide community infrastructure and job training to mitigate the economic impact and job loss of prisons closing; 4) Provide local community grants that local governments will deploy as income assistance vouchers to employees who have lost their job as the result of a prison closure.

Problem or Opportunity:

Colorado's prison population is declining and this decline may necessitate the closure of one or more additional prison facilities in the foreseeable

future. Industries such as prisons are foundational to the economy in which they are located and the economic hardship on the communities resulting from the closure of any institution or key industry in rural communities takes many forms, including not only the immediate loss of industry-related jobs, but also the loss of jobs held by the spouses of these employees, a reduction in tax revenues and school funding as these former employees relocate to other communities in search of other employment, and the resulting downward pressure on the local real estate market from the sale of additional homes. Communities recognize the important economic contribution of prisons and other industries. Few if any communities have adequately planned for a possible future without that large employer.

Brief Background:

In prior years, when the state's need for additional prison capacity was growing, the state strategically placed prison facilities in rural areas in order to contribute to rural economic development efforts. Today, with decreasing prison populations, the state is studying how to optimize its use of existing beds. It is possible that an existing prison could be decommissioned. Just as much as the placement of these prison

- Grant awards will be determined by a joint decision by DOLA and OEDIT. Grant funding amounts are not to exceed \$500,000. Higher funding amounts may be considered for significant job creation projects.
- Distribution of local community grants that local governments will deploy as income assistance vouchers to employees who have lost their job as a result of the loss of a large employer.
- Micro-loans will be considered if it better meets the objective of the project.
- Companies can take advantage of up to \$800 of training dollars per new job created.
- Points will be awarded for projects that lead to concrete results for a region based on the following key metrics:
 - Increase in new jobs for the region;
 - Increase in capital investment that benefits a rural key industry for such region;
 - Increase in average wages paid by a grant recipient; and
 - Collaboration and growth that benefits more than one community within a region.

Assumptions for Calculations:

The Department is requesting an appropriation of \$3,000,000 to administer a grant program over a two year period: FY 2013-14 and FY 2014-15. Of the \$3,000,000 requested, the Department anticipates distributing 90%, or \$2,700,000, to local communities as grants in the manner described above, and using the remaining \$300,000 over the same two year period for costs related to grant administration, revitalization plan development and community assessments. The grant will be administered by 1.0 Program Manager FTE at the General Professional V classification at a total cost of \$81,590 including benefits and operating costs. The costs for this FTE will annualize to \$83,896 in FY 2014-15. This will be a temporary position for two years.

Other grant administration costs anticipated by the Department include infrastructure and redevelopment consultants, facility asset assessments, and travel expenses. Please see Table 1 for detailed cost assumptions.

Consequences If Not Funded:

If the request is not funded, the impacted communities will likely realize increased unemployment levels, and smaller rural communities could potentially see reductions in the local population as residents relocate for employment opportunities. In addition, there will be loss of tax revenue, hindering the ability of these communities to invest in local infrastructure. The lack of infrastructure could create a barrier for businesses that would otherwise choose to expand within or relocate to these communities.

Impact to Other State Government Agency:

The Governor's Office of Economic Development and International Trade (OEDIT) will be involved in administering the grant program, but their involvement will not drive an expenditure impact. However, their involvement will include providing project management and strategic execution through an FTE.

Relation to Performance Measures:

This request relates to the Department's performance measure to enhance local governments' community and economic development efforts, including land use planning and community revitalization, and resident employee retraining.

Current Statutory Authority or Needed Statutory Change:

Section 24-32-705 (h)(i), C.R.S. Current statutory authority is sufficient to administer this new grant program.

Table 1: Program Expenses for Communities Experiencing Prison Closure						
Program Expenses	Unit Cost	Units	Year 1 Amount	Year 2 Amount	Total	FTE
GP V- Program Manager (B)	\$ 5,841	12	\$ 60,287	\$ 65,772	\$ 126,059	1.0
Benefits (B)	\$ 1,304	12	\$ 15,650	\$ 17,264	\$ 32,914	
Infrastructure/Redevelopment Consultants (A)	\$ 80	1067	\$ 21,360	\$ 64,000	\$ 85,360	
Facility Asset Assessments (A)	\$ 50	500	\$ 25,000	\$ -	\$ 25,000	
Operating Costs for 1.0 FTE (B)			\$ 5,653	\$ 896	\$ 6,549	
Travel Expenses (B)			\$ 14,419	\$ 9,699	\$ 24,118	
Total Administrative Costs			\$ 142,369	\$ 157,631	\$ 300,000	1.0
Income Assistance Vouchers & Competitive Grants of various Denominations (Up to \$500,000 in size)			\$ 1,350,000	\$ 1,350,000	\$ 2,700,000	
Total Program Cost			\$ 1,492,369	\$ 1,507,631	\$ 3,000,000	1.0

(A) Hourly rates shown for consultants

(B) Detailed costs in FTE Calculations Table

Expenditure Detail		FY 2013-14		FY 2014-15	
<i>Personal Services:</i>		FTE	\$	FTE	
	Monthly Salary				
Position 1	\$ 5,481	0.9	60,287	1.0	65,772
PERA			6,119		6,676
AED			2,170		2,631
SAED			1,959		2,466
Medicare			874		954
STD			107		116
Health-Life-Dental			4,421		4,421
Subtotal Position 1, ## FTE		0.9	\$ 75,937	1.0	\$ 83,036
Subtotal Personal Services		0.9	\$ 75,937	1.0	\$ 83,036
<i>Operating Expenses</i>					
Regular FTE Operating	500	1.0	500	1.0	446
Telephone Expenses	450	1.0	450	1.0	450
PC, One-Time	1,230	1.0	1,230	1.0	
Office Furniture, One-Time	3,473	1.0	3,473	1.0	
4 Wheel Drive Vehicle	4,979	1.0	4,979	1.0	4,979
Travel Hotel (nights)	70	80.0	5,600	40.0	2,800
Travel Per Diem	48	80.0	3,840	40.0	1,920
Subtotal Operating Expenses			\$ 20,072		\$ 10,595
TOTAL REQUEST		0.9	\$ 96,008	1.0	\$ 93,631
<i>General Fund:</i>			<i>\$ 81,590</i>		<i>83,896</i>
<i>Cash funds:</i>					
<i>Reappropriated Funds:</i>					
<i>Federal Funds:</i>					

	FY 2013-14	FY 2014-15
PERA	10.15%	10.15%
AED	3.60%	4.00%
SAED	3.75%	3.75%
Medicare	1.45%	1.45%
STD	0.177%	0.177%
Health-Life-Dental	4,421.04	4,421.04