Colorado Resiliency Framework Implementation 2024 Annual Progress Report

About this Report

This report highlights progress made across six priority action areas in the 2020 Colorado Resiliency Framework, which is the State of Colorado's guiding strategic plan to better anticipate, respond to, and recover from disruptions that can impact our communities. The Colorado Resiliency Framework is updated every five years and will be updated in 2025.

Background on the Colorado Resiliency Framework

In 2015, Colorado released the Colorado Resiliency Framework (Framework), a first-of-its-kind in the nation. The Framework prioritized institutionalizing resiliency principles and outlined strategies for strengthening our state against future disruptions. The 2015 document followed the devastating 2012 and 2013 floods and wildfires, and heavily emphasized long-term recovery efforts. The Framework was updated in 2020 in the midst of challenges associated with the COVID-19 Pandemic, broadening priority actions beyond long-term recovery.

The Framework is grounded in a holistic approach, identifying and addressing emerging challenges and new opportunities for Colorado across six key community sectors: Community, Economy, Health and Social, Housing, Infrastructure, and Watersheds and Natural Resources.

Colorado Resiliency Framework Vision: Colorado creatively implements forward-thinking solutions that are sustainable and resilient to changing conditions and result in strong, equitable communities that can adapt to and thrive in the face of adversity.

DOLA's Role in Community-Led Resilience

The Colorado Resiliency Office (CRO) is positioned within the Department of Local Affairs' Division of Local Government (DOLA-DLG). This Division provides strategic and technical expertise, advocacy, and funding to strengthen Colorado communities. The CRO facilitates State agency partners to institutionalize resiliency into State plans and operations, and provides technical assistance to local governments per the Colorado Revised Statute 24-32-122.

The Colorado Resiliency Working Group (CRWG)

While the CRO helps facilitate and lead the development and implementation of the Framework, the overall stewardship of the plan is the responsibility of Colorado Resiliency Working Group (CRWG). The CRWG works together across agencies to integrate and institutionalize resiliency goals and strategies to strengthen our state against current hazards, changing conditions, and future disruptions.

2024 Progress

As we near the end of the five-year cycle of the 2020 Framework, we are proud to share the progress the CRO and our State partners have made in 2024.

Overarching Strategies

While there are six specific Priority Implementation Areas identified in the Framework, there are two overarching strategies that span across all six areas, identified as being core to the success of the CRWG in general:

Overarching Strategy One: Establish a Statewide Resilient and Sustainable Community/Regional Program.

This strategy aims to facilitate coordination across jurisdictions on resiliency and sustainability issues. Additionally this strategy aims to develop and manage a program that guides communities to take concrete steps to improve their resilience and sustainability performance. The CRO, alongside State agencies, is implementing this strategy through the Resilient Colorado Communities Program and facilitation of resiliency integration through the CRWG.

Overarching Strategy Two: Attract and Leverage Funding Opportunities.

A continual goal is to identify flexible funding opportunities to pursue and implement resilient projects at the state and local level. To ensure that we are stewarding public funds to be used for projects that will withstand changes of the future, this strategy includes integration of resiliency criteria into State competitive grant programs and investments.

Priority Implementation Areas

The following are the Priority Implementation Areas which identify strategies and actions where implementation progress has been made in the past year.

Agriculture & Food Security

Resilient and robust food systems are rooted in agriculture, however access to food also requires integration across sectors, including conservation, soil health, public health, and natural resources. Agriculture is a long-standing industry, however it is not immune to impacts of pressures from urbanization, water access, and climate change. The strategies outlined in this Priority Implementation Area seek to strengthen Colorado's agricultural sector by encouraging regenerative practices and soil health, improving workforce opportunities in this industry, and increasing access to local and healthy food.

Agriculture & Food Security Strategies

Strategy 1: Promote and protect working lands.

Strategy 2: Advance regenerative farming practices.

Strategy 3: Support innovations and new markets.

Strategy 4: Bolster next-generation farm and agriculture workers.

Strategy 5: Integrate food and agriculture in local planning.

2024 Agriculture & Food Security Spotlight

Connecting Agriculture, Food Systems, and Public Health

In addition to strengthening agriculture, improving access to healthy and nutritious food is key to food security. The Colorado Department of Public Health and Environment (CDPHE) oversees the <u>Cancer</u>, <u>Cardiovascular</u>, <u>and Pulmonary Disease Grant Program</u> which per Amendment 35, is funded with revenue generated from an increase in the tobacco product excise tax.

For the 2024-2026 cycle, projects funded under this program include local, municipal, or regional level initiatives to increase access to and consumption of healthy foods and beverages by addressing food production, processing, distribution, and access. There are currently three grantees of this program implementing exciting projects focused on this strategy:

- Public Health Institute at Denver Health implementing Healthy Beverage Choices for All in Denver, Jefferson, Boulder, Adams, Arapahoe, Garfield, and Pueblo Counties.
- Denver Department of Public Health and Environment is implementing their Food in Communities program by strengthening partnerships and policies for a community-led, sustainable, and just food system along with the following partners:
 - Food Justice NW Aurora is focusing on the following:
 - Supporting small markets to offer more fresh and staple foods at affordable prices;
 - Making use of vacant and underused land for urban agriculture. This will enable the community to fully benefit from zoning and city codes that allow small-scale food production in all parts of the city; and
 - Expanding multilingual and multicultural education that builds community knowledge and engagement in the local food system.
 - Jefferson County Public Health will conduct additional research and advance policy, systems, and environment (PSE) change for two data-informed and community-identified priorities:
 - Land access for agriculture
 - True collaboration and coordination in the Jefferson County food system
- San Luis Valley Local Foods Coalition is implementing Reducing Chronic Disease in the San Luis Valley through their Regional Food Systems program.

- <u>HB24-1416</u> created the <u>Healthy Food Incentives Program</u>, which funds a statewide nonprofit organization to increase access and provide healthy eating incentives for Colorado's low-income populations.
- <u>HB24-1407</u> created the <u>Community Food Assistance Provider Grant Program</u>. This act appropriates \$3M to this program to provide grants to procure and distribute nutritious foods that meet the needs of eligible communities.
- "Tax Credit Agricultural Stewardship Practices" (<u>HB24-1249</u>) established a <u>state</u> income tax credit for active qualified stewardship practices on a farm or ranch. This

- law will encourage stewardship practices that benefit the environment including activities that improve soil health or enhance water efficiency and conservation.
- "Agricultural and Rural Behavioral Health Care" (SB24-055) passed, after seeing continued need demonstrated by the Rural Mental Health program in the Colorado Department of Agriculture (CDA) to provide support to agricultural producers. This new legislation creates an agricultural and rural community behavioral health program within the Behavioral Health Administration, and also establishes a liaison to work with CDA, behavioral health-care providers, rural community leaders, agricultural communities, and nonprofit organizations.

2024 Climate Adaptation Highlights

- CDA hired a new position, <u>Agricultural Water Advisor</u>, that will engage Colorado producers on water issues that impact agriculture.
- Building on the momentum of the last few years, Colorado continues to expand the Colorado Soil Health Program (Previously STAR Plus) implementation. The program encourages agricultural producers to use practices that restore soil health, which helps with water retention, long-term agricultural production, and carbon sequestration.
- Colorado continues to work on implementation of the <u>Strategic Plan for Climate-Smart Natural and Working Lands</u>, a collaborative effort by CDA, the Department of Natural Resources (DNR), the Colorado State Forest Service (CSFS), and the Colorado Natural Heritage Program, released in 2023. Every two years the plan will be reviewed and updated.
- Progress was made to support implementation of agrivoltaics (the practice of using the same land for both agriculture and solar energy production) and development of community solar gardens. CDA is in the process of conducting outreach to better identify barriers to development, which could help achieve the goal of 100% renewable energy on the grid by 2050.

Additional Priority Strategy Implementation Progress

- CDA continued to build out <u>holistic disaster programming</u> that supports all phases of agricultural disaster management including preparedness, response, recovery, and mitigation.
- Agricultural goals will also be addressed in the development of the <u>Carbon</u>
 <u>Management Roadmap</u>, spearheaded by the Colorado Energy Office.
- CDA successfully funded another six projects as part of their <u>Agrivoltaics Research and Demonstration Grant</u>. These projects stack farming and energy production, supporting agriculture and increasing renewable energy development.

Buildings and Infrastructure Sustainability

The integrity of our buildings and infrastructure continues to be highlighted as an important focus not only within Colorado, but across the nation as well. As Colorado continues to navigate pressures such as population growth and housing availability/affordability, 2024's legislation focused heavily on the intersection of infrastructure development, community and economic growth, and transportation planning. There was also a strong emphasis on

maintaining existing infrastructure, which faces increasing challenges from changing environmental conditions. The strategies outlined in this Priority Implementation Area seek to reduce vulnerabilities related to Colorado's infrastructure and build climate-ready communities that are less prone to hazards and future disruptions.

Buildings and Infrastructure Sustainability Strategies

Strategy 1: Integrate resiliency in State infrastructure funding.

Strategy 2: Improve infrastructure and land use coordination.

Strategy 3: Establish model climate-resilient infrastructure standards.

Strategy 4: Ensure climate-resilient critical infrastructure.

Strategy 5: Promote adaptive reuse and retrofitting.

Strategy 6: Grow a network of resiliency hubs.

2024 Buildings and Infrastructure Sustainability Spotlight

Colorado IIJA and IRA Successes

The passing of the Infrastructure Investments and Jobs Act (IIJA) in 2021 and the Inflation Reduction Act (IRA) in 2022 paved the way for historic investments in infrastructure across the nation. Colorado set up systems to support our state and local communities in drawing down this funding. Here is a snapshot of where we currently are in 2024:

- Over \$8.5B has been awarded in the state from IIJA and IRA.
- Almost \$2.5B has been awarded to Tribes, local governments, and other local entities.

To further break down these significant numbers, the Governor's Office of Federal Funds and Strategic Initiatives (formerly the Governor's Office of Economic Recovery) manages a dashboard that tracks where IIJA and IRA funds have been awarded or announced for Colorado projects. Awards announced through mid-September 2024 include \$1.07B allocated toward broadband projects, \$860M toward clean water, \$245M toward transportation safety, and \$752M toward climate resilience!

Launch Colorado's IIJA and IRA Dashboard for more funding award data.

To support local entities in pursuing funding opportunities, Colorado has established the following resources through the Governor's Office of Federal Funds and Strategic Initiatives and other State agency partners:

- Regional Grant Navigators (Governor's Office)
- Department of Local Affairs Local Match Program (LOMA)
- Grant writing and project planning (Governor's Office)
- Bi-weekly Office Hours and Newsletter (Governor's Office)
- Department of Natural Resources (DNR) Technical Assistance for water projects
- Colorado Department of Agriculture (CDA) technical assistance for Renewable Energy for Agricultural Producers and Rural Small Businesses (REAP)

Additional helpful resources:

Learn more about Colorado's IIJA and IRA Progress

- IIJA and IRA Resources and Support
- Local Community Funding Guide

- "Housing in Transit-Oriented Communities" (<u>SB24-1313</u>) passed in 2024, and aims to increase the development of housing for Coloradans of all budgets in transit-oriented communities.
 - The Department of Local Affairs (DOLA) has been tasked with implementation of SB24-1313, working closely with the Colorado Department of Transportation (CDOT) and Colorado Energy Office (CEO) to develop comprehensive tools and technical assistance to support communities in their implementation.
 - DOLA is developing an infrastructure grant program to support subject jurisdictions and communities that opt in.
 - Through this legislation, CDOT was engaged to identify how best to incentivize neighborhood centers through grant funding opportunities by 2026, as well as conduct a study on policy that can define and support neighborhood centers.
- CDOT continued to pursue the Infrastructure Investments and Jobs Act's (IIJA)
 Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving
 Transportation (PROTECT) Program discretionary grant opportunities. To ensure that
 PROTECT programmatic funding is invested in resilient projects, CDOT uses their
 internally developed resilience assessment tools and method. CDOT's Risk and
 Resilience Program coordinates with five regions, and the regions coordinate with
 local jurisdictions to identify good resilience investment opportunities. Additionally,
 CDOT recently submitted a Resilience Improvement Plan to the Federal Highway
 Administration for their approval in alignment with the IIJA.
- In spring of 2023, CDOT Regions 3 and 5 faced several pipe failures leading to roadway closures and emergency response. The Transportation Commission provided \$65M in federal redistribution funds from fall 2023 to be used to repair or replace corrugated metal pipes with varying degrees of deterioration. In 2024, \$65M was distributed to the regions for mitigation and repair.
- 2024 saw an additional 17 awards for grid hardening projects through the <u>Microgrids for Community Resilience</u> (MCR) Program, <u>Grid Hardening for Small and Rural Communities</u>, and <u>Advanced Grid Monitoring</u> programs by the State and Federal governments by the end of 2024. This funding represents \$13.25M of awarded funding in these projects from federal, state, and local funding sources. Additionally, another \$14.3M of funding between these three programs opened to applicants in the fall of 2024.
- Additional funding was awarded to the Colorado Energy Office in 2024 through the EPA's <u>Climate Pollution Reduction Implementation Grants</u> that will support energy code adoption, particularly for staff capacity as part of the Local Government Accelerator Program.
- The Colorado Resiliency Office (CRO), the Governor's Office of Federal Funds and Strategic Initiatives, the Governor's Office of Climate Preparedness and Disaster Recovery, and the Colorado Division of Homeland Security and Emergency Management

(DHSEM) collaborated with a consultant to investigate funding needs and identify solutions to better help Colorado communities develop competitive projects that can secure funds through the Federal Emergency Management Agency's (FEMA) <u>Building Resilient Infrastructure and Communities (BRIC)</u> program). An Energy and Climate Federal Funds Officer position was established within the Governor's Office of Federal Funds and Strategic Initiatives to support local governments in pursuing BRIC and similar funding opportunities.

Climate Adaptation Highlights

- Inspired by New York's Climate Smart Communities model, the CRO and the Colorado Energy Office (CEO) are collaborating to develop a Local Government Climate Action tool and associated program to support local communities in pursuing climate mitigation and adaptation projects.
- In 2024, CDOT participated in a pilot program to apply a climate-informed science approach (CISA) to their hydrology projects to determine how this can lead to broader climate-informed infrastructure development. CDOT has set aside 2% of PROTECT formula funds for planning purposes, which include the ongoing development of a Wildfire Playbook and development of a climate data research roadmap. In addition, CDOT participates in the Whole of State Critical Infrastructure Transportation Subcommittee. CDOT continues to implement 2 CCR 601-22, which established the Rules Governing Statewide Transportation Planning Process and Transportation Planning Regions in 2022. The rule holds metropolitan planning organizations (MPOs) and CDOT accountable for GHG emissions from regionally significant transportation projects and requires that reasonable mitigation strategies be implemented to offset potential increases to GHG as a result of the project. CDOT continues to implement the rule requirements on regionally significant projects identified in their strategic 10 Year Plan.
- Last year DOLA implemented the first ever <u>Climate Resilience Challenge</u>, a set aside fund through the <u>Energy/Mineral Impact Assistance Fund (EIAF)</u>, which supported bold climate projects in local communities. Some of the awarded <u>resilience hubs</u> are featured in the White House's <u>Climate Resilience Game Changers Assessment!</u>

Additional Priority Strategy Implementation Progress

 The Colorado Energy Office (CEO) in collaboration with the CRO developed the <u>Colorado Microgrids Roadmap</u>, which will be released at the beginning of 2025. This roadmap evaluates the role of microgrid systems in ensuring all Coloradoans have access to reliable and resilient electrical service.

Climate and Natural Hazards

Addressing the impacts of climate change is an overarching theme of the Colorado Resiliency Framework. Climate change is the greatest force multiplier of hazards we face, contributing to more frequent and intense disruptions. Addressing the impacts of climate change requires collaboration and coordination across multiple disciplines including natural resources, community planning, ecosystem management, and more. The strategies outlined in this

Priority Implementation Area work to minimize risks from natural hazards and reduce vulnerabilities to the impacts of our changing climate.

Climate and Natural Hazards Strategies

Strategy 1: Align climate change data, metrics, and standards.

Strategy 2: Resilient watershed-based management and best practices planning and project identification.

Strategy 3: Integrate forest health and wildfire risk mitigation into land use and development processes to reduce wildfire risk and exposure.

Strategy 4: Build local capacity, resources, and incentives to implement resiliency projects.

Climate and Natural Hazards Spotlight

Public Health Progress

The State's progress on addressing climate change impacts on public health is a highlight of 2024.

- The Colorado Department of Public Health and Environment (CDPHE) developed the
 first of its kind 2024 Heat Action Plan, which sets goals and direction for CDPHE
 related to extreme heat, including public/health provider communications, cooling
 centers, data, and surveillance. Learn more by visiting CDPHE's heat and health
 website and CDPHE's heat-related illness data dashboard.
- The Prevention Services Division created a new climate and health team through funding from the Centers for Disease Control and Prevention (CDC) Public Health Infrastructure Grant (PHIG) to build Colorado's public health workforce capacity to identify, prevent, and respond to climate-related health impacts, especially for Coloradans at greatest risk.
- Further, CDPHE's Office of Public Health Practice, Planning, and Local Partnerships
 (OPHP) is updating Colorado's State Health Improvement Plan (SHIP), which will span
 2025-2029, where Climate Change is one of six priorities. While the previous SHIP had
 a focus on "climate change and air quality" and included an emissions focus, the
 upcoming SHIP separates Climate Change into its own priority, which will include
 strategies related to extreme heat and wildfire smoke for the first time.

- "Prohibit Landscaping Practices for Water Conservation" (<u>SB24-005</u>) was passed in 2024, which prohibited certain landscaping practices that do not help to conserve water, such as the installation of nonfunctional turf, artificial turf, or planting of invasive species on newly developed commercial, industrial, or institutional property. It also prohibits the installation of nonfunctional turf in medians, parking lots, and right-of-way streets.
- The Office of Sustainability created a <u>Water Efficient Landscape Policy</u> to reduce outdoor water use on outdoor landscapes for new construction, substantial renovation, and redevelopment by reducing nonfunctional turf and requiring water-efficient

- landscaping at State facilities.
- 2024 was another challenging year in Colorado for natural disasters, including
 destructive wildfires like the Alexander Mountain and Stone Canyon Fires that resulted
 in loss of homes and a fatality, as well as historic flooding in Ouray and Ridgeway that
 resulted in mudslides and debris flows. Due to Colorado investing additional time and
 resources to achieve "enhanced" status for the State Hazard Mitigation Plan, this will
 allow Colorado to have access to increased funding opportunities for post-disaster
 mitigation dollars.
 - Colorado received "enhanced" status in 2020, and since then has received approximately \$30.3M total for seven Hazard Mitigation Grant Programs (HMGP), which is about \$7.6M more than would have been received without this status.
 - This includes an additional \$7.1M for disasters in 2023, and about \$5.3M for three major wildfires in 2024: Alexander Mountain, Stone Canyon, and Quarry wildfires.
- In 2024 the Division of Homeland Security & Emergency Management (DHSEM) was awarded more than \$8.8 million for 13 projects from the Federal Emergency Management Agency (FEMA) through their Hazard Mitigation Assistance grant programs. These projects will be implemented in communities across Colorado and support wildfire, flood, wind, and infrastructure mitigation activities.
- Building off of the success of the 2023 pilot of the <u>Climate Resilience Challenge</u>, a setaside funding opportunity available to local communities through DOLA's <u>Energy/Mineral Impact Assistance Fund (EIAF)</u>, an additional \$10M was allocated to this fund in 2024, with \$31M having been awarded to date.
- The Colorado Energy Office (CEO) was awarded \$1.9M through the Energy Efficiency and Conservation Block (EECBG) Program administered by the U.S. Department of Energy, to support local government staff capacity and provide technical support on energy efficiency and renewable energy projects. A total of eight awards were distributed to recipients, who are in the process of hiring staff and/or consultants to support this work at the local level.
- State wildfire mitigation efforts have been active in 2024. This year the Colorado Strategic Wildfire Action Program (COSWAP) contracted or awarded just over \$19,850,000 to 55 projects fuels reduction and training within the Workforce Development and Landscape Resilience Investment programs. The workforce development projects were awarded through two funding rounds and will treat up to 1,235 acres, reducing wildfire risk to life, property and infrastructure while supporting conservation corps and Department of Corrections' SWIFT crews. Additionally, \$7,241,580.38 was awarded to 31 projects for the treatment of 3,715 acres of forest health and wildfire risk reduction work and to increase capacity by providing communities with the resources and staffing necessary to conduct future forest health and wildfire risk reduction work.
- Led by the Governor's Office, the legislature passed the groundbreaking <u>SB 24-230</u>, titled "Oil and Gas Production Fees," which is expected to result in upwards of \$100M in additional funding for transit efforts in Colorado, as well as climate adaptation

wildlife and ecosystem conservation efforts at Colorado Parks and Wildlife (CPW).

Climate Adaptation Highlights

- In 2024, the State released an updated <u>Climate Change in Colorado Report</u>, which helps us to better understand how climate change is impacting our state, as well as the <u>Greenhouse Gas Pollution Reduction Roadmap</u> 2.0, which outlines ambitious goals to reduce greenhouse gas pollution in Colorado 26% by 2025, 50% by 2030, and 100% by 2050.
- The <u>Natural Disaster Mitigation Enterprise</u> continues to hold board meetings, making
 progress in the development of the grant program, with the first round of applications
 anticipated to be released in early 2025. The Enterprise provides grants to local
 governments to implement resilience and natural disaster mitigation measures,
 including matching funds required by Federal mitigation grants.
- In a multi-year partnership between Great Outdoors Colorado (GOCO), the Department of Natural Resources (DNR), CPW and the Governor's Office of Climate Preparedness, along with the Outdoor Recreation Industry Office (OREC), Colorado unveiled its keystone initiative for climate adaptation, biodiversity resilience and outdoor recreation, Colorado's Outdoors Strategy. This strategy will set north-star science and data-driven goals and a shared vision on climate resilient conservation and outdoor recreation to efficiently coordinate conservation efforts and ensure a thriving future for Colorado's outdoors. The effort will provide cutting edge tools, funding and technical assistance to locally driven Outdoor Regional Partnerships, federal land managers, and state staff alike in pursuit of those unified outcomes.

- The Wildfire Ready Watersheds Program continues to make significant progress, awarding \$7-10M of Federal funds to local <u>Wildfire Ready Action Plans</u>. These plans will ensure that local values and community-scale data is integrated into Wildfire Ready Watersheds projects.
- The 24-member <u>Wildfire Resiliency Code Board</u>, initiated by Governor Polis and established by <u>SB 23-166</u>, met monthly throughout 2024 to develop minimum Wildfire Resiliency codes to enhance community safety and resiliency. After a series of listening sessions and hearings, the Board will adopt the codes by July 2025 and applicable local jurisdictions will adopt the codes by October 2025.
- The Colorado Resiliency Office hosted a FEMA course for local planners titled "MGT
 474: Mitigating Hazards through Land-Use Planning" for about 40 participants in May
 2024. This training, which offers solutions for reducing risk using planning tools and
 strategies, was modeled after the <u>Planning for Hazards</u> guidance, which was developed
 by Colorado!
- Colorado is supporting disaster survivors in rebuilding more resiliently post-disaster.
 The Housing Recovery Program has provided \$1,827,487 in hazard mitigation grants or loans to homeowners. The Sustainable Rebuilding Program Recovery and Electrification Program managed by DOLA has provided \$1,130,000 in rebates to support rebuilding that meets or exceeds high performance building codes and standards adopted by

local communities and the installation of voluntary sustainable building elements that exceed local code requirements, including the incorporation of high-efficiency equipment such as cold climate or ground source heat pump systems, induction stoves, and heat pump water heaters.

Community Capacity

Robust social systems are one of the themes of the Colorado Resiliency Framework. The adage "Disruptions begin and end locally," rings true, and it is imperative to support the capacity of local communities to plan for, respond to, and recover from disruption events. This also requires a comprehensive understanding of the diversity of needs and values in communities across our state, as well as the ability to provide access to a broad range of technical assistance, resources, and tools to support local resiliency efforts. The strategies outlined in this Priority Implementation Area aim to cultivate and strengthen social systems and better develop local capacity in the face of changing conditions.

Community Capacity Strategies

Strategy 1: Integrate equity into resilience planning and actions.

Strategy 2: Develop and deploy community engagement and civic capacity tools.

Strategy 3: Strengthen local planning and peer networks.

Community Capacity Spotlight

Continued Collaboration for Recovery Coordination

Disasters are increasing in frequency and intensity, and 2024 was no exception; here in our state, as well as nationally, as we witnessed the devastation from hurricanes Helene and Milton. The State continues to prioritize recovery coordination and technical assistance for local communities to plan for recovery.

In 2024, the Department of Local Affairs (DOLA) and the Department of Homeland Security and Emergency Management (DHSEM) worked closely with other State agencies and local partners on several recovery initiatives, including a multi-agency Wildfire Recovery Tabletop Exercise (TTX). The exercise provided an opportunity for in-depth conversation regarding the areas of recovery necessary after wildfire in Colorado and how agencies can collaborate with each other to best serve Colorado's communities.

The State hosted three Regional Recovery Symposiums, led by the DHSEM Recovery Section in the North Central Region, South/Southeast Regions, and the San Luis Valley Region. The symposiums provided disaster recovery-centric training geared towards emergency managers and those who have a role in disaster recovery at the local level.

Legislative, Policy, and Funding Progress

Many bills passed in 2024 related to community planning and land use (see the Housing Priority Implementation Area for more detail on specific legislation) to better support the strategic growth and housing in our state. There is no doubt that addressing the challenge

takes a team approach at all levels of government, and to support the new land use legislation, the DOLA Division of Local Government's Community Development Office (CDO) rolled out the following to support local government capacity in 2024:

- Hosting a monthly land use implementation engagement webinar to cover the new legislation in depth, review draft or newly developed <u>implementation tools</u>, receive feedback, and answer questions;
- Hosting a monthly peer exchange series for local governments working on affordable housing strategies and land use issues. This work supports a peer learning group primarily comprised of local government planning departments;
- Administering the Proposition Local Planning Capacity grant program, which to date, has supported many local planning departments in adding capacity through housing/planning liaisons, expedited review staff, permitting software, and more to prioritize development of affordable housing.

Engage DOLA on land use.

Climate Adaptation Highlights

Historically underserved communities have been disproportionately impacted by the effects of climate change, and it is imperative that their voices are amplified in planning and decision-making processes as it relates to climate action.

- In 2024, the <u>Environmental Justice Action Task Force</u> published <u>Community</u>
 <u>Engagement, Outreach, and Public Participation Best Practices</u>, which outlines several
 key best practices to engage diverse individuals and communities in actions that
 impact public health and the environment.
- Hearing directly from local communities helps us all to better understand the true
 extent of the social, economic, and public health impacts of climate change. The
 Colorado EnviroScreen tool was developed as a way to better map disproportionately
 impacted communities, and includes a feature that shares stories directly from
 community members about their experience. 2024 includes the addition of a Story Map
 that was done in collaboration with the Ute Mountain Ute Tribe.

- Progress continues to be made on implementation of the <u>Colorado Community</u> <u>Engagement Toolkit</u>. In 2024, the toolkit was used by the <u>Safe Routes Partnership</u>, a nonprofit organization, in partnership with state and local partners to help inform the implementation and development of safe routes to parks actions plans and apply lessons learned.
- CDPHE continues to expand the Disaster Behavioral Health (DBH) Capacity Building
 program aimed at growing local capacity to address the psychosocial impacts of
 disasters on the community. This program, in partnership with the Public Health
 Emergency Preparedness Program and the SAMHSA Bipartisan Safer Communities Act,
 funds 25 community partners to improve their capabilities and capacities to address
 psychosocial impacts of disasters, public health emergencies, and community crises.
 Additionally, the DBH program facilitates the Community Inclusion in Colorado (CICO)

- workgroup and mapping resources, which share inclusive connections, skills, and resources with local and state emergency partners for more equitable and human-focused resilience and disaster outcomes.
- The Colorado Department of Transportation (CDOT) launched an equity training for staff and associated equity outreach plan for the statewide transportation planning process to ensure that equitable engagement is integrated.
- In addition to the progress made at the State level to support local disaster recovery planning, the Colorado Resiliency Office hired a new Recovery Manager position in 2024, who is interfacing with other State agencies such as the Office of Emergency Management to identify gaps and develop solutions for recovery coordination.

Future-Ready Economy and Workforce

As we continue to see shifts in the economic and industrial landscape such as automation, artificial intelligence, changes in workforce demographics, or moves toward renewable energy, Colorado's workforce must anticipate, prepare, and develop the skills necessary to adapt to the needs of the future. This requires an examination and understanding of our economy from a holistic perspective, such as ensuring that Colorado remains an attractive place to start a business, and that we have support in place such as available workforce housing in our communities. The strategies outlined in this Priority Implementation Area seek to support a future-ready, regenerative, and circular economy and fortify Colorado's workforce.

Future-Ready Workforce and Economy Strategies

Strategy 1: Expand digital equity, access, and preparedness.

Strategy 2: Advance equitable hiring and modern benefits.

Strategy 3: Develop rural economic diversification roadmaps and strategies.

Strategy 4: Support communities and industries in economic transition.

Future-Ready Workforce and Economy Spotlight

Colorado-Wyoming Engine

The National Science Foundation has awarded the <u>Colorado-Wyoming Climate Resilience</u> <u>Engine</u> up to \$15 million in initial funding over the next two years to drive development and commercialization of cutting-edge climate technology and innovative solutions in climate adaptation and mitigation in the two states. This work is poised to have a profound impact on workforce development and community engagement, and places a strong emphasis on inclusive growth, ensuring that these economic benefits reach across diverse communities. This work is only possible through many strategic <u>partnerships</u> across government and the business community, and include the Colorado Office of Economic Development and International Trade, Colorado State University, CU Denver, CU Boulder, the Colorado Community College System, Metropolitan State University of Denver, and University of Northern Colorado.

Northwest Colorado Development Council Collaboration

Another highlight is the Northwest Colorado Development Council (NWCDC), a collaboration between Moffat, Rio Blanco, and Routt Counties, and their seven municipalities, approved the establishment of a 501(c)3 to serve as the legal framework for launching a Rural Development Innovation Center.

The Development Council, based on the Aspen Institute's <u>Rural Development Hub Model</u>, will serve as a collaborative, one-stop shop to host programs, services, and initiatives in partnership with federal, state, higher education, workforce, and philanthropic partners to support the transition away from a coal-dependent economy. NWCDC will lead discussions in coming months to develop what the structure and program of work will look like and is considering services like business startup assistance, a revolving loan fund, and a business incubator space and tools.

Due to the collaboration of the council and support from a DOLA Rural Economic Development Initiative grant, the NWCDC has developed a robust project pipeline that now includes 14 business and community development projects. These are expected to generate an estimated 482 direct jobs and \$1.84 billion in capital investment.

The Northwest Development Council formed as a part of the <u>CRO Roadmap program</u> and the formation of the development center is tied to <u>NWCDC's Roadmap</u>.

- Colorado continues to make progress on the <u>Digital Equity Plan</u>, having completed the
 first phase of this effort through the allocation of \$12M (of \$20M total) toward digital
 inclusion coalitions and regional access partners who will support the implementation
 of this plan at the local level.
- Following last year's <u>Executive Order concerning apprenticeships</u> for the State Workforce by Governor Polis, Colorado's Department of Labor and Employment (CDLE) continued to make progress standing up a <u>state apprenticeship agency</u>.
- "Career and Technical Education and Apprenticeships" (<u>SB24-104</u>), provided staffing to the Office of Future Work (OFW) and to the Career and Technical Education (CTE) Division of the Colorado Community College System in order to align CTE programs and Registered Apprenticeship Programs. This will increase access to technical training and jobs for rural communities.
- "Financial Incentives Expand Apprenticeship Programs" (HB24-1439), created a tax credit for employers who hire apprentices in occupations outside of the building and construction trades, continued investment in the Scale Up Grant program, and established a new grant program for Qualified Apprenticeship Intermediaries.
- "Modernize Energy Distribution Systems" (SB24-218), directed the Office of the Future of Work to establish a grant program for lineworker registered apprenticeship programs to increase their capacity, which was launched in November.
- The <u>Regional Talent Summits Act</u> was enacted by "Opportunity Now Grants and Tax Credit" (HB24-1365), which aims to address workforce shortages by convening state

- and regional stakeholders to discuss economic and workforce needs, and the programs and resources that might address those regional needs. These convenings will ultimately result in two and five year tactical plans that develop career pathways in specified fields facing regional workforce challenges.
- The Economic Development Administration (EDA) awarded <u>Elevate Quantum</u>, a consortium of private and public sector organizations (including OEDIT), academic institutions, and nonprofits across Colorado, New Mexico, and Wyoming, with \$40.5M as a designated quantum Tech Hub, unlocking \$84 million in State support and \$1B in private capital. EDA's investment will supercharge Elevate Quantum's mission, creating 10,000+ new quantum jobs by 2030. Similar to the NSF CO-WY Engines, Elevate Quantum has a number of strategic <u>partnerships</u> across government, business and education, including partners in Wyoming and New Mexico.

Climate Adaptation Highlights

- The Office of Just Transition (OJT) continues to be proactive in the implementation of the Colorado Just Transition Action Plan, engaging with communities and workers impacted by the coal economy transition by implementing 7 to 8 pre-closure strategies for workers including tuition funding, financial planning, and more.
 - Additionally, OJT has been in the process of creating Community Navigator positions to better support communities going through oil and gas transitions, with the first being established in the Northwest Region.
- The OFW in partnership with the Governor's Office of Climate Preparedness and Disaster Recovery undertook a year-long project through the University of Colorado Masters in Environment Capstone program to develop a methodology and county-bycounty understanding of occupational risk exposure to climate hazards with an accompanying inventory of existing best practices to address these risks in the workplace to support proactive workforce adaptation to anticipated climate conditions.

- Following last year's completion of the CRO-led <u>Roadmaps Program</u> by 16 regional teams, these efforts moved into implementation. This includes the State team providing follow up and additional resources where available and connecting communities to a State network that can support their goals.
 - Additionally, the Office of Economic Development and International Trade (OEDIT) held a series of roadshows and visited over half the roadmap teams to discuss priority projects and ongoing funding needs.
- The CRO is represented in the statewide Community Economic Development Strategy (CEDS) efforts, helping to ensure that resiliency is integrated into this work. A platform is being developed that will host related metrics and data from these efforts.
- 2024 saw the continuation of the <u>Camp Resilience</u> program, which is a one-day workshop to support communities in regions around the state to integrate resilience into their programs and operations at the local level. In 2024, the North-East and South-East Regions completed the workshop.

Housing Attainability

Colorado remains an attractive place to live, work, and play, and continues to experience population growth in many communities. This brings great resources to our state, such as the development of new businesses and industries, however, it is also important that housing availability keep up with demand. Colorado continues to seek solutions to not only make more housing stock available, but also reduce the cost of housing for all community members, including housing options for workforce populations and community members who most experience marginalization.

Housing Attainability Strategies

Strategy 1: Build local capacity for developing resilient affordable housing.

Strategy 2: Support affordable housing siting and development.

Strategy 3: Increase housing stability.

Strategy 4: Expand residential efficiency and weatherization.

Housing Attainability Spotlights

Factory Built Housing

Colorado remains on the cutting edge of housing innovation, specifically modular or off-site housing. From 2021 through 2024, Colorado has increased in-state modular production by 687%, and the modular market share in the state has tripled from all housing built.

In 2024, only 43% of our modular components were imported from out of state factories, cutting Colorado's reliance on out of state factories in half. This also results in savings from reduced shipping costs and a reduction in carbon output.

Funding Efficiencies

The Department of Local Affairs (DOLA) has gotten more strategic and transparent in the way it funds affordable housing developments. The Division of Housing (DOH) within DOLA now has a quarterly application process with published funding amounts available for homeownership and rental projects, along with specific sources of funding. With the new application timing, DOH published clear scoring criteria to aid applicants in preparing competitive applications based on a transparent set of priorities. DOLA first scored December 2024 applications to capture initial feedback/observations on new scoring criteria. The new scoring criteria creates a clear framework for reviewing projects. The scoring criteria has increased the quality of applications, indicating that applicants prioritized the submission of complete applications. Additionally, scoring criteria resulted in recommendations across a diversity of project types, urban/rural developments, and applicants.

Responses to Homelessness

DOLA's Division of Housing seeks to prevent or end individuals' homelessness as efficiently and effectively as possible. This is done by funding programs that will fundamentally shift the landscape of homelessness within the project's community, region, and the State by transforming systems, programs, and outcomes while being responsive to the one-time nature of the funding provided. In 2024, this grant program continued to make a difference. Here are a couple of examples:

- The Salvation Army, El Paso County: "One of our notable success stories featured a two-parent family with three teenagers and a newborn. They arrived at the Family Hope Center (FHC) in July. With the support of our Case Management team, they successfully transitioned to stable housing, departing the program in August. The parents secured and maintained stable employment, and through careful financial planning, they ensured their ability to sustain housing independently."
- Housing Connector: "We housed someone who had been homeless for 8 years. These
 funds allowed us to find the unit, activate a new community partner in CCH, and open
 the doors on reduced screening criteria to make the pathway for this person to get
 housed. It was a special day, and one that our team will remember for a long time."

Legislative, Policy, and Funding Progress

2024 saw a lot of momentum in the legislature regarding the intersection of affordable housing, land-use planning, and transportation:

- A package of six bills representing the Governor's vision for increasing housing
 affordability while improving transportation convenience, decreasing congestion and
 supporting the State's climate goals, as well as conservation of agricultural,
 recreation, and biodiversity through land-use policy reform passed the legislature.
 Several other associated bills were also passed:
 - "Prohibit Residential Occupancy Limits" (<u>HB24-1007</u>), which prohibits residential occupancy limits based on familial relationship
 - "Minimum Parking Requirements" (<u>HB24-1304</u>), in which subject jurisdictions within applicable transit areas must not enact or enforce local laws requiring minimum vehicle parking spaces for multifamily residential, adaptive reuse for residential, or adaptive reuse for mixed use that includes at least 50% of use for residential
 - "Accessory Dwelling Units" (<u>HB24-1152</u>), which allows accessory dwelling units in subject jurisdictions
 - "Housing in Transit-Oriented Communities" (<u>HB24-1313</u>), which concerns measures to increase the affordability of housing in transit-oriented communities
 - "Sustainable Affordable Housing Assistance" (SB24-174), which requires the development of reasonable methodologies for housing needs assessments and guidance for local governments
- The Department of Local Affairs (DOLA) Division of Housing (DOH) continued to make progress toward implementation of Prop 123, including expedited review guidance that was published to help local governments expedite affordable housing projects and remain eligible for Prop 123 funds.
 - In 2023, 202 local and Tribal governments filed commitments to increase affordable housing by 3% annually over the next three years. These jurisdictions represent 89% of the statewide population, with an estimated 22,855 new affordable housing units committed.
 - So far, 76 local governments have either adopted or are currently working to adopt and implement new policies and procedures that streamline the

- development review process for affordable housing projects.
- Approximately \$32M have been awarded for homeownership opportunities,
 \$28.8M in Homelessness Initiatives, and \$4.4M through the Division of Local Government for the Local Planning Capacity Grant Program.
- Second year commitment filings were due to the DOH on November 1, 2024. A total of 8 jurisdictions out of the 336 jurisdictions eligible to apply successfully filed a commitment to increase their affordable housing by 3% each year over the next two years. That leaves 126 jurisdictions across the State remaining eligible for filing.
- The Office of Economic Development and International Trade (OEDIT) manages 60% of the State Affordable Housing Fund created by Proposition 123. OEDIT, along in partnership with the Colorado Housing Finance Authority (CHFA) built three new programs and 4 subprograms in order to implement the first year of Prop 123 funding. OEDIT coordinates closely with DOLA on Prop 123 Implementation.
 - OEDIT/CHFA's three funding programs are land banking grants and forgivable loans to support local governments, Tribes, and nonprofits to secure land for affordable housing, concessionary (low cost) debt to support low and middle income rental housing, and equity to provide below market investments for low and middle income rental housing.
 - In 2024, OEDIT combined \$18M from the Prop 123 debt program with \$20M from OEDIT Innovative Housing Incentive Program to award \$38M in low cost loans to modular and innovative off site housing manufacturers to increase the supply of affordable, energy efficient units and jobs across Colorado
 - Prop 123 also includes a Tenant Equity Vehicle funded by the returns above principal to the state from the debt and equity programs which will support the tenants of the Equity projects with monthly and long term savings.
 - In 2024, OEDIT/CHFA selected 35 affordable housing projects to proceed with underwriting for \$97M in funding.
 - The awards will support 2,730 units plus 4,755 units annually expected to be produced by the off-site housing factories once they are at full production.
 - OEDIT, DOLA, and Colorado's Energy Office collaborated to create a new environmental sustainability prioritization for Prop 123 housing funding to move the new affordable units towards all electric, energy and water efficient developments that will reduce costs for residents. Eventually these standards will be applied across all of OEDIT and DOLA's housing funding programs.
- "Effective Implementation of Affordable Housing Programs (<u>HB24-1308</u>), passed in 2024 regarding effective implementation of affordable housing programs. The DOH has updated its application, handoff, and contracting processes in compliance with the requirements of the law. These new requirements will be applied to its funding application round that closed on October 1, 2024, and in turn all subsequent funding rounds related to the work of its Office of Housing Finance and Sustainability (affordable housing acquisition, development, and rehabilitation).
- "Insurance Commissioner Study Insurance Market" (<u>HB24-1108</u>), passed with the purpose to study the homeowners associations (HOA), hotel, and lodging facilities

property market. In addition to analyzing market conditions, this study will also recommend potential measures to assist in long-term sustainability and availability in this market.

Climate Adaptation Highlights

• The State Housing Board at the conclusion of its rulemaking hearing on October 8, 2024, adopted the International Code Council's 2021 International Energy Conservation Code (IECC) along with the Electric Ready and Solar Ready model codes adopted by Colorado's Energy Code Board. These codes will be applied to the construction of factory-built structures statewide and go into effect on January 1, 2025, as required by House Bill 22-1362.

- Additional progress was made due to DOH's vision to advance a broad continuum of solutions that combines affordable housing with accessible services so no one languishes in homelessness. This includes preventing evictions and homelessness where possible.
 - Through Homelessness Prevention grants, which are managed by the Homelessness Resolution Team (formerly the Emergency Solutions Grants or ESG) performance period from April 1, 2023 to March 31, 2024, recipients served included 1,604 individuals and 932 households, utilizing a total of \$1,069,176 in homelessness prevention dollars that are a combination of federal and state funds.
 - Through Eviction Prevention grants, which are managed by the Emergency Rental Assistance team within the Office of Housing Recovery, grantees have assisted approximately 48,000 households since the start of the program in March 2021 approximately 44,000 through Emergency Rental Assistance (ERA) rounds 1 and 2, and approximately 4,000 through the Temporary Rental Assistance Grant Program (TRAG). The total amount of funds utilized for rental assistance programs in SFY24 are as follows:
 - Federal Funding through HR 133 (ERA1) \$255,084,086
 - Federal Funding through HR 1319 (ERA2) \$233,287,477
 - State funding through HB23-1001 (TRAG) ran from 2/15/24-06/30/24 with \$30M in rental assistance and housing stability services provided to approximately 4000 households.
 - Progress was also made on implementation of the Fair Access to Insurance Requirements (FAIR) Plan, which will establish an unincorporated public entity to provide property insurance coverage where coverage is unavailable. In 2024, an Executive Director was hired, a Plan of Operations approved, and initial producer trainings were completed.