Department of Local Affairs

Revised Strategic Plan for FY2012-13

Revised November 1, 2012

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Departmental Introduction

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

DOLA makes financial resources available to support community infrastructure (i.e. water, sewer, road and bridge projects) and services (i.e. housing) either through statutory formula distributions of state and federal funds (i.e. energy impact, gaming impact, Community Service Block Grants) or through state and federal grants at the discretion of the Executive Director with guidance from citizen boards. Roughly 95 percent of the monies for which the department is responsible return to communities to improve infrastructure and services for the citizens. These investments in local communities not only improve the quality of life for citizens, but they also put people to work. Every $1 million invested in these communities creates 17 jobs (direct, indirect, and induced).

DOLA distributes the state's energy impact funds (severance taxes and federal mineral lease revenues) to local governments throughout the state to mitigate the adverse impacts of the development of the state's abundant energy reserves. The distribution of approximately 40% of these funds is formula-based, with resources going directly back to energy-impacted communities. The remaining 60% of these funds are made available through competitive grants. The funds for the competitive grant portion have been swept into the state's General Fund for the last several years to help balance the state's budget. This diversion of energy impact funds has caused serious hardship on local governments which are already struggling with significantly reduced local property tax revenues. The diversion has also resulted in a huge backlog of much needed community infrastructure projects. DOLA expects community needs will far exceed the availability of funds for the first round of grant funding available in early 2013.

DOLA has established a culture within the department that encourages collaboration and efficiency. When administrative functions and programmatic tasks are shared across the organization, our customers at the local level, including local elected and appointed officials, receive more integrated services. This sharing of expertise and function, along with workload, provides considerable administrative efficiency. Cross-training and teamwork among our divisions create the conditions for better service to local communities.

Statutory Authority

The statutory authority for the Department is found in Title 24, Article 32, Colorado Revised Statutes (2012).

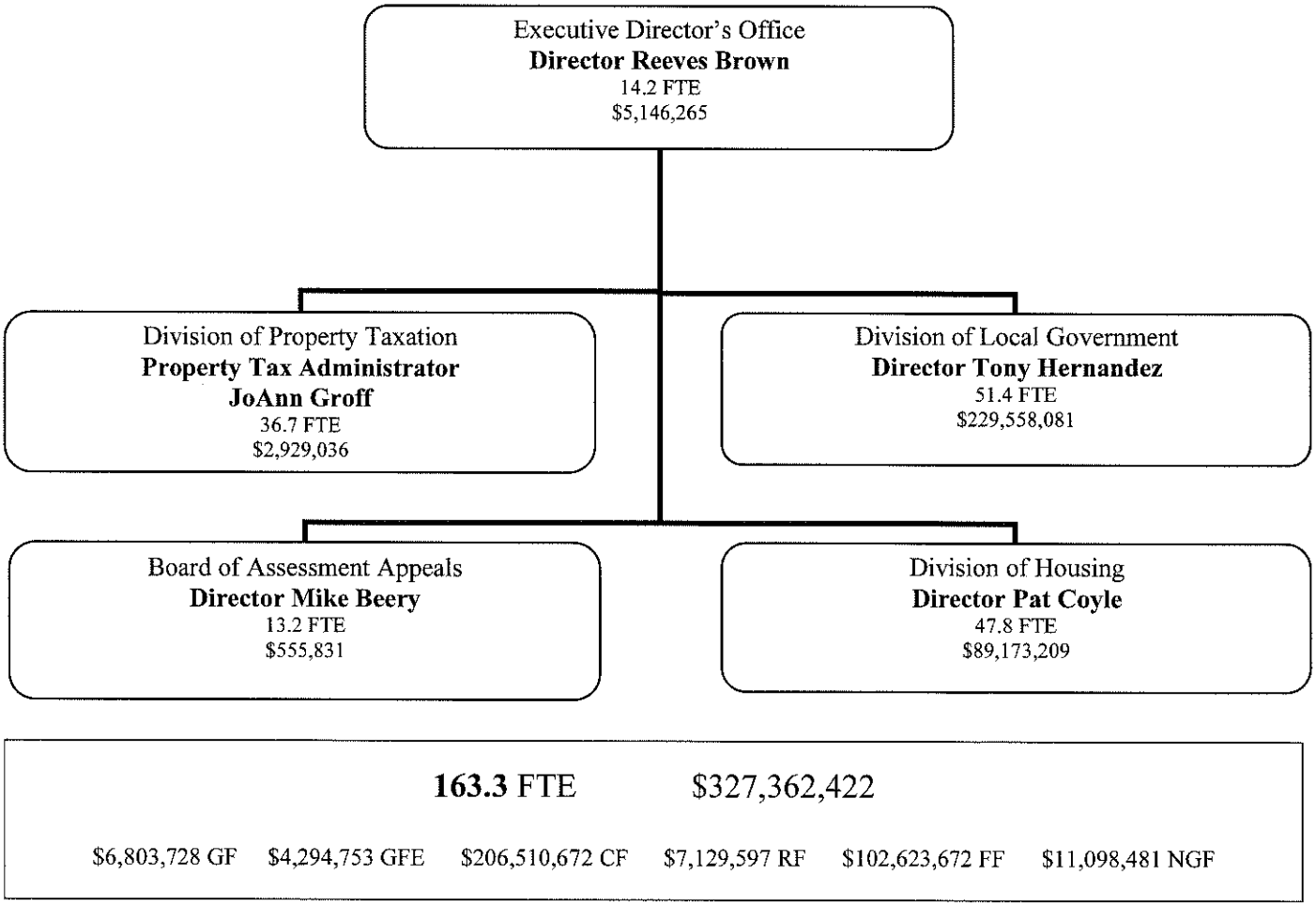
Division of Property Taxation (DPT) authority can be found in Article X, Colorado Constitution; Title 39, Article 2.

Board of Assessment Appeals (BAA) authority can be found in Article II, Title 39 of the Colorado Constitution.

Division of Housing authority can be found in Title 24, Article 32, Section 702, Colorado Revised Statutes (2011).

Division of Local Government authority can be found in Title 24, Article 32, Section 102, Colorado Revised Statutes (2011).

Organizational Chart



Departmental Mission Statement

DOLA strengthens communities and enhances livability in Colorado by providing accessible assistance in the following areas:

- *Equitable and consistent implementation of property tax laws*
- *Community development that is revitalizing and sustainable*
- *Financial support for community needs*
- *Safe, affordable housing*

DOLA strives to be responsive, attentive, solutions-oriented and respectful, within and beyond our departmental boundaries.

DOLA's tag line to its mission statement has been: *"Strengthening Colorado's Communities."* DOLA remains committed to this tag line.

Departmental Vision Statement

The Colorado Department of Local Affairs strengthens communities and enhances livability in Colorado. Using reliable and objective assessment methods, DOLA bridges the gap between localities and state government, partnering with local leadership to solve a wide range of problems and address a broad spectrum of issues and challenges. Through responsive action, flexibility, and unparalleled customer service, DOLA helps to ensure safety, equity, and vitality throughout the state.

DOLA structures its budget with this vision statement in mind. DOLA views itself as a partner to local governments to enhance the livability of Colorado communities through strategic investments using various financial tools and with technical support provided by the department's staff.

Overall DOLA Tenets

1. Assist customers in solving problems.
2. Fulfill regulatory responsibilities.
3. Value DOLA employees.
4. Improve internal business systems.

Specific goals and objectives are addressed in the respective divisions which follow.

Division of Property Taxation (DPT)

Introduction

Under the general laws of Colorado, the Property Tax Administrator heads the Division of Property Taxation. Their charge is to administer the implementation of property tax law throughout Colorado's 64 counties to ensure that valuations are uniform and that each property class contributes only its fair share of the total property tax revenue. This includes the granting of exemptions, valuation of state assessed companies for ad valorem taxation, providing technical assessment assistance, and promoting the equalization of property valuation. This Division operates through its Appraisal Standards, Administrative Resources, Exemptions and State-Assessed Sections.

Constitutional and Statutory Authority

Pursuant to Article X, Section 15 of the Colorado Constitution, it is the duty of the Property Tax Administrator to administer the property tax laws set forth in Title 39, Articles 1 – 14, C.R.S.

Mission Statement

The Division staff strives for excellence in all it does to ensure the fairness and equalization of property taxation for all Colorado taxpayers

Vision Statement

The Division is committed to the fair, accurate and consistent application of property tax law for the benefit of all residents and property owners of this state.

Performance Aims, Measures & Benchmarks by Section

Appraisal Standards Section

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

The Division offers a wide variety of courses and workshops throughout the year. The Appraisal Standards section conducts three tested courses: Basic Appraisal Principles, Basic Appraisal Procedures, and Uniform Standards of Professional Appraisal Practice (USPAP).

Goal: Assist county appraisal staff and the public with ad valorem valuation issues. This includes the application of sound appraisal principles, compliance with statutory and constitutional mandates and interpretation of applicable court decisions.

The division will accomplish this goal through classes offered to assessment personnel as well as technical assistance offered to the public and county assessment staff though in person and phone conversation, information available on our website and written brochures available for distribution.

Budget measurement standard: Education – achieve 95% student pass rate. Attain 80% rate of student satisfaction. Attain 80% rate of assessor satisfaction with student skill transfer back to the job.

Savings statement: Increased competency of county staff leads to more accurate valuation, reducing the general fund cost for backfill for under-valued school districts and reduced protests at the county and state level.

Administrative Resources and Appraisal Standards Performance Measures	Outcome	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Estimate	FY 12-13 Request
Education – Achieve 95% student pass rate. Attain 80% rate of student satisfaction. Attain 80% rate of assessor satisfaction with student skill transfer back to the job.	**Benchmark**				
	No. of Students in Tested Courses	225	225	225	225
	Pass Rate	95%	95%	95%	95%
	Student Satisfaction	80%	80%	80%	85%
	Assessor Satisfaction	80%	80%	80%	85%
	Actual				
	No. of Students in Tested Courses	138	204	52*	
	Pass Rate	97.90%	97.44	94.2%	
	Student Satisfaction	90.00%	92.00%	94.23%	
	Assessor Satisfaction	80.00%	87.98%	87.94%	

Evaluations will be based on a scale of 1 to 5, with "1" reflecting a response of **very poor** (20%), "2" reflecting a response of **poor** (40%), "3" reflecting a response of **fair** (60%), "4" reflecting a response of **good** (80%), and "5" reflecting a response of **very good** (100%).

*Due to budget constraints, the Division reduced the number of tested courses in 2011/12.

Administrative Resources Section

Administrative Resources prepares and publishes administrative manuals, procedures and instructions. It conducts classes and seminars regarding the administrative functions of the assessors' offices. It performs field studies and provides statewide assistance with issues such as, tax increment financing, the administration and valuation of manufactured homes, feasibility studies, senior and disabled veteran exemptions, classification of property, title conveyance, mapping, production of the Abstract of Assessment, certification of values to taxing entities, and the tax

warrant. The section also investigates taxpayer complaints. It is responsible for various studies and reports such as fiscal impacts for Legislative Council, the residential assessment rate study and the Property Tax Administrator's Annual Report to the General Assembly and State Board of Equalization. It also coordinates with agencies having an interest in property taxation. In addition, the field staff works closely with assessors in all areas of property taxation. Administrative Resources is also responsible for approving or disapproving all petitions for refund or abatement of taxes in excess of $1,000.

If taxes have been levied erroneously or illegally, county treasurers are to abate such taxes and interest accrued thereon. The Property Tax Administrator shall approve or disapprove any abatement or refund in excess of $10,000, § 39-2-116, C.R.S.

Goal: Increase the knowledge, competency and effectiveness of Colorado assessors and their staff in the fulfillment of their duty to complete the tasks necessary to produce the tax warrant.

The division will accomplish this goal through classes offered to assessment personnel as well as technical assistance offered to the public and county assessment staff though in person and phone conversation, information available on our website and written brochures available for distribution.

Budget measurement standard 1: Education – achieve 95% student pass rate. Attain 80% rate of student satisfaction. Attain 80% rate of assessor satisfaction with student skill transfer back to the job. (See appraisal standards section above for comparison of actual to benchmark.

Additionally, this section will improve the efficiency of internal processes for the benefit of the counties, the taxpayers and all other affected parties as they timely review, approve, or disapprove abatements submitted to the Property Tax Administrator as required by § 39-2-116, C.R.S.

Budget measurement standard 2: Reduce refund interest accruals at the county level by maintaining average age of abatements pending review to 15 days or less.

Savings statement: Time savings for taxpaying petitioners who will receive their abated taxes or a decision regarding their application for abatement quickly, and reduced interest costs for counties.

Performance Measure	Outcome	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Estimate	FY 12-13 Request
Reduce refund interest accruals at the county level by maintaining average age of abatements pending review to 30 days or less.	**Benchmark** Days to Process	30.0	30.0	30.0	15*
	Actual Days to Process	18.5	14.9	12.9	

* Amended from 30 days in original budget submission

Exemptions Section

The Exemptions section is responsible for determining qualification for exemption from property taxation for properties that are owned and used for religious, charitable and private school purposes. Exempt property owners are required to file annual reports with DPT to continue with the exemption status. This section provides assistance to counties and taxpayers with inquiries about exempt properties, conducts hearings on denied exemption applications and revocations of exemptions, and defends appeals of such denials and revocations.

Goal: Thoroughly, accurately and promptly evaluate all new requests for exemptions from charitable, religious, and private school organizations, review all annual reports from granted exempt organizations in a similar manner, and enhance property owner convenience.

The division will accomplish this goal by improving processes involved in review of applications and annual reports.

Budget measurement standard: Process 100% of applications for exemption within 12 months of receipt.

Savings Statement: Prompt decisions will increase stability in the property tax base, since taxes are levied but not collected while application decisions are pending. This contributes to the state's interest in stable tax revenues for school districts.

Performance Measure	Outcome	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Estimate	FY 12-13 Request
Exemptions – Process 100% of applications for exemption within 12 months of receipt.	**Benchmark**	100%	100%	100%	100%
	Actual	93.65%	93.40%	88.3%	

State Assessed Section

The State Assessed section is the only area of the DPT which regularly performs original valuation of property on an annual basis. The section values all public utilities, rail transportation companies, airlines and renewable energy facilities doing business in Colorado. The company valuations are then apportioned to the counties for collection of local property tax. Both county commissioners and public utilities may protest the value assigned to state assessed property, and both may appeal to the Board of Assessment Appeals (BAA) if the protest is not resolved at the Division level. The statutorily set deadlines and nature of this work concentrates much of the specific activity of the section into a seven month time frame from approximately February 1 through the end of August, the deadline by which any appeal of value must be filed at the BAA.

The remaining five months are dedicated to preparation and presentation of information as necessary for any values that have been appealed to the BAA by either the public utility or the county commissioners. Additionally, there is extensive "clean up" after the valuation season: documenting information to files; destroying old files; ensuring all references to companies are appropriately updated and information for all companies are current in preparation for the next appraisal season; et al. This time is also used for state assessed staff to research information and attend specifically targeted classes or conferences to stay current with general industry trends, and become familiar

with any new industry assignments. Additionally, the state assessed staff assists in projects of other DPT sections as appropriate.

Goal: Produce accurate, equitable and defensible values for property tax purposes of public utility companies operating in Colorado in compliance with statutorily set deadlines. This goal is accomplished by staff staying current with industry trends and providing timely response to any appeal of the values they establish.

Budget measurement standard: Provide accurate, uniform and defensible valuation of state assessed companies measured by the number of appealed values upheld by the BAA, Denver District court or subsequent appellate court review.

Savings Statement: Success in this goal will result in reduced appeals to BAA and the Denver District Court, with associated improvements in cost-effectiveness at all levels.

Performance Measure	Outcome	FY 09-10 Actual	FY 10-11 Actual	FY 11-12 Estimate	FY 12-13 Request
State Assessed – Provide accurate, uniform, and defensible valuation of state assessed companies.	**Benchmark**				
	Companies Valued	570	570	580	590
	Protests Filed	85	85	85	85
	Appeals	2	2	2	20
	Value Upheld*	2	2	2	15
	Value Adjusted*	0	0	0	0
	Actual				
	Companies Valued	565	526	495	
	Protests Filed	69	73	75	
	Appeals	18	11	7	
	Resolved prior to hearing	17	7		
	Value Upheld*	0	n/a	n/a	
	Value Adjusted*	1		n/a	

*Due to the lengthy nature of the process, appeals may not be heard by the BAA or Denver District Court for several months to sometimes years after protest to the Division of Property Taxation. For this reason, the BAA and District Court outcomes pertain to appeals filed in prior tax years.

Board of Assessment Appeals

Introduction

The Board of Assessment Appeals (BAA) hears appeals filed by real and personal property owners regarding the valuation placed on their property for property tax purposes.

County Assessors are responsible for valuing all property in their county except for exempt property and state assessed properties. Taxpayers may appeal the assigned value to the Assessor and the County Board of Equalization (valuation appeal) or to the Board of County Commissioners (abatement). These cases may then be appealed to the BAA.

State assessed properties and exemptions are appealed to the property tax administrator. These cases may then be appealed to the BAA.

Appeals may also be filed with the BAA when a County Board of Commissioners or a County Board of Equalization has failed to make a timely decision on a matter properly presented.

Appeals to the BAA must be made in writing to the Board within 30 days from the date of the decision that is being appealed. After the appeal is docketed, a receipt of appeal is sent to the Petitioner. A notice of hearing is mailed to all parties at least 30 days prior to the scheduled hearing. The Board's decision is transmitted in a written order and mailed to all parties. Board decisions are also posted on the Board's website. Board decisions may be appealed to the Colorado Court of Appeals.

Members of the Board are appointed by the Governor and confirmed by the State Senate. By statute, the Governor may appoint from three to nine appraisers to the Board. At this time, there are nine members of the Board to allow cases to be heard on a timely basis.

Constitutional and Statutory Authority

The constitutional and statutory authority for the Board of Assessment Appeals (BAA) can be found in Article X of the Colorado Constitution, Article XII of the Colorado Constitution and Title 39, Article 2 of the Colorado Revised Statutes.

Mission Statement

The Board of Assessment Appeals exists to strengthen Colorado communities by providing a fair and impartial forum for taxpayers to appeal real and personal property valuations or exemptions.

The Board of Assessment Appeals strives to be:

- **Responsive to the needs of taxpayers and counties.**
- **Careful with resources.**
- **Solutions-oriented in our approach to problems.**
- **Respectful of the people with whom we work both inside and outside the Division.**

Vision Statement

The Board of Assessment Appeals is recognized for providing an accessible forum for resolving taxpayer valuation and exemption appeals in a fair, impartial and timely manner. In order to achieve this vision, the Board of Assessment Appeals will focus on: (1) reducing the time it takes for a taxpayer's appeal to be resolved; and (2) improving accessibility to a fair and impartial hearing process for taxpayers.

Performance Aims, Measures and Benchmarks

Goal 1: Ensure taxpayer appeals are resolved on a timely basis through the efficient use of available resources.

Goal 2: Improve accessibility to a fair and impartial hearing process for taxpayers.

Each of these goals will lead to increased efficiency and cost savings.

Goal 1 recognizes the importance of increasing efficiency in resolving appeals on a timely basis. It also recognizes the importance of using resources efficiently. Resolving appeals more quickly will save taxpayer money because the amount of interest required to be paid to taxpayers on successful appeals will be reduced.

Goal 2 will lead to increased efficiency and cost savings at the BAA by reducing travel and other costs for counties and taxpayers to attend BAA hearings.

Performance Measure	Outcome	FYE 6/30/08	FYE 6/30/09	FYE 6/30/10	FYE 6/30/11	FYE 6/30/12	FYE 6/30/13
Number of Petitions Resolved	**Benchmark**	None	1,775	2,100*	2,750**	3,340***	3,360
	Actual	1,750	1,993	2,680	3,345	3,359	

Performance Measure	Outcome	FYE 6/30/08	FYE 6/30/09	FYE 6/30/10	FYE 6/30/11	FYE 6/30/12	FYE 6/30/13
Number of Educational and Outreach Activities	**Benchmark**	None	10	11	11	11	11
	Actual	9	10	11	12	12	TBD

* The benchmark for Fiscal Year End (FYE) 6/30/10 was increased in July 2009 after taking into account the Division's success in resolving significantly more cases in FYE 6/30/09 than originally planned.

** The benchmark for FYE 6/30/11 was increased in July 2010 after taking into account the Division's success in resolving significantly more cases in FYE 6/30/10 than originally planned.

*** The benchmark for FYE 6/30/12 was increased in July 2011 after taking into account the Division's success in resolving significantly more cases in FYE 6/30/11 than originally planned.

Both of these performance measures will lead to positive and measurable outcomes.

The first performance measure tracks the number of appeals resolved annually. By resolving more appeals annually, taxpayer appeals will be resolved more quickly – a positive outcome that will save taxpayer money as noted above. This performance measure is also easily understandable to the public.

The second performance measure tracks the number of educational and outreach activities provided by the BAA. An increase in education and outreach activities will lead to a positive outcome of reduced per-hearing cost for county governments related to BAA hearings. An increase in education for taxpayers will allow more appeals to be settled without hearing. It will also result in shorter and more efficient hearings, which will save taxpayer funds related to personnel costs at the county level. Improved accessibility will also save county governments travel costs for BAA hearings.

Strategies Supplement

Strategy 1:

Background: The Board of Assessment Appeals receives and processes a large number of appeal petitions each year. In FYE 6/30/10, the Board received 3,945 appeal petitions. This represented a 65% increase in the number of appeal petitions filed with the Board over the comparable filing period for FYE 6/30/08. In FYE 6/30/11, the Board received 2,111 appeal petitions. This represented a 61% increase in the number of appeal petitions filed with the Board over the comparable filing period for FYE 6/30/09. Most appeal petitions are filed during the months of August through December. BAA staff does an excellent job receiving and processing the high volume of petitions received.

After a petition has been received and processed, it is set for hearing. Prior to FYE 6/30/09 and the implementation of this strategic plan, BAA staff sent out about 150 notices of hearing per month (about 1,800 per year). This was thought to be the maximum number of hearing notices that could be issued given existing resource limitations. BAA only has two hearing rooms to hear petitions.

Strategy 1 was implemented to reduce the amount of time it takes for a petition to be resolved with existing resources.

Implementation: During the fiscal year ending June 30, 2009, the Board of Assessment Appeals implemented a new process for setting cases for hearing. This new process is known as a trailing docket. Under the trailing docket, BAA staff issues notices of hearing approximately 90 days in advance of hearing dates. All hearings scheduled for a particular day are set at 8:30 am in the BAA's offices. Multiple hearings are scheduled at the same time. Approximately ten (10) days prior to the hearing date and after many cases have been resolved through settlement or petition withdrawal, the parties in the remaining cases are informed of the exact time for their hearing. This process allows significantly more cases to be set for hearing and results in the resolution of more cases each month.

This new process has been very successful. In FYE 6/30/09, 14% more cases were resolved at the BAA than in FYE 6/30/08. In FYE 6/30/10, 54% more cases were resolved at the BAA than in FYE 6/30/08. In FYE 6/30/11, 91% more cases were resolved at the BAA than in FYE 6/30/08. In FYE 6/30/2012, 92% more cases were resolved at the BAA than in the fiscal year prior to the adoption of this strategic plan.

Based on the 92% increase in case resolution since adopting this strategic plan, the BAA's performance in FYE 6/30/2012 was excellent.

Strategy 2:

Background: The Board of Assessment Appeals provides a cost-effective forum for taxpayers to appeal real and personal property valuation and exemption decisions rendered by counties. In many of these cases, taxpayers appear pro-se (without representation). Hearings before the Board are similar to trials held in non-jury civil courts. The process can be intimidating for unrepresented taxpayers who are not familiar with the court process. In order for the process to be fair to taxpayers, it is important for the BAA to provide educational opportunities for taxpayers to learn about the appeals process. It is also important for the BAA to ensure that taxpayers and counties have reasonable access to BAA hearings.

The Board of Assessment Appeals is committed to improving accessibility to a fair and impartial hearing process for taxpayers through the increased use of educational and outreach activities. Strategy 2 is being implemented to better inform taxpayers of the appeals process and to improve accessibility to the process.

Implementation: In order to assist taxpayers and counties in better understanding the appeal process, the BAA has implemented a number of measures since the adoption of this strategic plan. For example, since the adoption of this strategic plan, the Board has provided increased educational opportunities about the process. This includes web-based and DVD-based educational materials, which are accessible by visiting the Board's web page or by mail for taxpayers who do not have internet access. The web-based and DVD-based educational materials were created through a cooperative effort with Rocky Mountain PBS Channel 6 in Denver. The Board also provided a new educational brochure entitled, "Base Period Example". This brochure provides a simple explanation of the comparable sales that taxpayers may legally use in their appeal. The educational materials help taxpayers and counties be better prepared for their hearing and result in more efficient hearings. The Board and its staff also engaged in other outreach activities, such as speaking engagements which offer opportunities to learn about the appeal process.

In addition, since the adoption of this strategic plan, the BAA has significantly increased accessibility for taxpayers and counties who participate in BAA hearings. Since adopting this strategic plan, the BAA has held remote hearings in Alamosa and Grand Junction. These hearings increased accessibility for taxpayers and counties located on the Western Slope and the San Luis Valley. These remote hearings have been well-received by taxpayers, who might not otherwise be able to exercise their right to challenge the county's valuation and exemption decisions. The remote hearings are also well-received by counties, who are able to allow more of their staff to attend the hearings and learn about the appeal process. Counties and taxpayers both saved the cost of traveling to Denver for these hearings.

Finally, since the adoption of this strategic plan, the BAA has invested in technology that allows parties and board members to appear by video conference. The use of video conference technology has saved travel costs for taxpayers, counties and the BAA. The implementation and increased use of this technology has been very successful.

The Board will continue to engage in outreach activities designed to provide accessibility to the hearing process. These activities may include remote hearing locations, telephone hearings, video conference hearings and other outreach designed to improve accessibility to the appeal process.

Based on the improved educational materials provided by the BAA, including web-based and DVD based videos and the Base Period Example brochure and further based on the remote hearings and implementation of video conference technology for BAA hearings, the BAA's performance in FYE 6/30/2012 relating to this strategy was excellent.

Division of Housing

Introduction

The Department of Local Affairs, Division of Housing (DOLA Housing Division) works with a variety of partners to increase the availability of affordable housing to residents of Colorado. DOLA Housing Division provides grants, loans, rental subsidies and bond authority to local governments, housing authorities, non-profit organizations, for-profit and non-profit developers, private landlords and other organizations to create, preserve and rehabilitate housing for Colorado's workers, families, seniors and those with special needs. DOLA Housing Division also certifies all factory/manufactured structures built in or shipped to Colorado and approves multifamily construction in counties with no construction codes.

To assist in meeting the affordable housing needs within the DOLA Housing Division administers the following grant, loan, and bond authority as well as manufactured housing programs:

- HOME Investment Partnership Grant/Loan Program
- Community Development Block Grant Program
- Emergency Shelter Grant Program
- Housing Opportunities for People with AIDS Grant Program
- HOME Investment Trust Fund Loan Program
- Private Activity Bonds (balance of State) Program
- Housing Choice Voucher, Homeownership and Family Self-Sufficiency Program
- Manufactured Housing Dealer Registration Program
- Inspection and certification programs for all factory-built (modular) housing, commercial structures, and manufactured homes
- Consumer complaint service program for factory/manufactured structures
- Manufactured Home Installation Program
- Homeless Prevention Tax Check Off Program

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

Preparation of the DOLA Housing Division Strategic Plan: DOLA Housing Division develops two housing plans annually that assist in setting the strategic plan for the Division. The State Consolidated Plan and the Housing Choice Voucher Annual Plan identify DOLA Housing Division strategies and goals to address affordable housing needs in Colorado communities. DOLA Housing Division relies on a number of resources and publications to identify the greatest needs for affordable housing in Colorado. These sources include a quarterly vacancy survey report, foreclosure report, household income report, housing needs assessments, US census building permits, unemployment reports, economic growth report, and public housing waiting lists. Information from these reports is supplemented by data from the DOLA demography section and

outside sources. All the information referenced above is utilized in preparing the DOLA Housing Division Strategic Plan.

DOLA Housing Division also has a Community Housing Assistance Team, or "CHATS" staff that works one-on-one with local communities throughout Colorado to identify housing needs, prepare housing strategies, identify potential housing projects and create financing packages for new housing and to preserve existing housing. The team has staff in Denver and in two field offices in Colorado. The CHATS work with other affordable housing funders (Colorado Housing Finance Authority, Department of Housing and Urban Development, Rural Development, Mercy Housing, Enterprise Foundation, etc.) to identify and maintain a pipeline of potential affordable housing projects.

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

Because safe and affordable housing is fundamental to the ultimate success of all Colorado communities, DOLA Housing Division will target the following objectives with the greatest emphasis of providing housing to those earning less than 50% of the Area Median Income.

Constitutional and Statutory Authority

The statutory authority for the Colorado Division of Housing can be found within the Colorado Housing Act of 1970, Colorado Revised Statutes Title 24, Article 32, 701 - 718.

Mission Statement

The mission of the DOLA Housing Division is to ensure that Coloradans live in safe, decent, and affordable housing. We do this by helping communities meet their housing goals.

Vision Statement

With stakeholders, create a strategic direction for the DOLA Housing Division to improve the state's impact on affordable housing.

Performance Aims, Measures and Benchmarks

Objective 1: Preserve the existing statewide supply of affordable rental or home-ownership housing.

Strategy #1: To preserve existing statewide affordable housing, DOLA Housing Division will fund projects that involve acquisition and/or rehabilitation of affordable rental properties or rehabilitation of owner-occupied housing.

Objective 2: Increase the statewide supply of affordable "workforce" rental housing and home-ownership opportunities.

Strategy #1: To increase the supply of statewide workforce housing, DOLA Housing Division will fund new rental and single-family construction projects aimed at households whose income is at or

below 80% of Area Median Income.

Objective 3: Increase the capacity and stability of local housing and housing service providers statewide.

Strategy #1: To increase the stability and capacity of local housing and housing service providers statewide, DOLA Housing Division will fund as many CHDO Operating applications as possible with the 5% of HOME funds available for that purpose.

Strategy #2: To increase the stability and capacity of local housing and housing service providers statewide, DOLA Housing Division will sustain and increase the number of educational activities it sponsors.

Objective 4: Increase statewide pre-purchase homeownership counseling for low/moderate income and minority households.

Strategy # 1: To increase and maintain responsible home ownership for low/moderate-income minority households statewide, DOLA Housing Division will fund pre-purchase homeownership counseling efforts through the NSP and CDBG programs as opportunities arise.

Strategy #2: To increase and maintain responsible home ownership for low/moderate-income minority households statewide, DOLA Housing Division will support Down Payment and Closing Cost assistance efforts with HOME and CDBG funds.

Objective 5: Meet community needs for the homeless statewide by providing supportive services and increasing the number of shelter beds available.

Strategy #1: To meet community needs for homeless shelters and services statewide, DOLA Housing Division will use ESG and CDBG funds to support homeless shelter operations and services, and CDBG funds to increase shelter capacity in non-entitlement areas of the state.

Objective 6: Increase statewide supply of housing for persons with special needs coupled with services that increase or maintain independence.

Strategy #1: To increase the statewide supply of housing for persons with special needs coupled with services that increase or maintain independence, DOLA Housing Division will fund permanent supportive housing for seniors, the disabled, the chronically homeless and victims of domestic violence using HOME, CDBG, HDG and RLF funds.

Objective 7: Provide rental subsidies statewide for low-income households who would otherwise have to pay more than 30% of their household income for housing.

Strategy #1: DOLA Housing Division will apply for at least 50 additional rental vouchers annually (when incremental vouchers are available through HUD) to give additional families in the State the opportunity to receive rental assistance.

Objective 8: Ensure the statewide safety and habitability of factory/manufactured structures through program services that are efficient and effective.

Strategy #1: To increase efficient and effective service statewide by reducing plan review and inspection response times DOLA Housing Division will utilize third party plan review and inspection agencies.

Performance Measure	Outcome	FYE 6/30/09	FYE 6/30/10	FYE 6/30/11	FYE 6/30/12	FYE 6/30/13
Preservation of affordable rental and homeownership housing	**Benchmark**	910	910	910	910	910
	Actual	509	774	257	744	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Increase supply of workforce rental and homeownership housing.	**Benchmark**	550	550	550	550	550
	Actual	887	519	559	484	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Provide Community Housing Development Organization operating funding equal to 5% of HOME allocation	**Benchmark**	100%	100%	100%	100%	100%
	Actual	90%	100%	84%	116%	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Fund pre-purchase housing trainin programs for a minimum of 1,000 potential homebuyers	**Benchmark**	1,000	1,000	1,000	1,000	1,000
	Actual	110	5,000	4,800	TBD	TBD
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Increase the number of shelter beds or the number of homeless service agencies funded	**Benchmark**	80	90	90	90	115
	Actual	56	64	66	52	TBD
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Sustain and increase the number of educational activities (Sec. 8 training, Developer's Tool Kit, Advanced Financing etc.)	**Benchmark**	5	6	7	7	7
	Actual	6	10	13	9	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Fund 50 units of special needs housing.	**Benchmark**	250	250	250	250	250
	Actual	292	307	372	253	TBD
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Increase and sustain the number of households receiving rental assistance	**Benchmark**	2,600	2,600	2,600	2,600	2,600
	Actual	2,552	2,445	2,693	6,568	

Performance Measure	Outcome	FYE 6/30/09	FYE 6/30/10	FYE 6/30/11	FYE 6/30/12	FYE 6/30/13
Reduce residential plan review turn-around time (days)	**Benchmark**	15	10	5	5	5
	Actual	9	4	14	13	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Reduce commercial plan review turn-around time (days)	**Benchmark**	20	15	10	5	5
	Actual	15	12	22	22	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Meet manufacturer plant inspection request dates	**Benchmark**	100%	100%	100%	100%	100%
	Actual	100%	100%	98%	100%	
Performance Measure	**Outcome**	**FYE 6/30/09**	**FYE 6/30/10**	**FYE 6/30/11**	**FYE 6/30/12**	**FYE 6/30/13**
Reduce average field inspection turn-around time (days)	**Benchmark**	20	18	18	18	18
	Actual	10	22	15	10	

Division of Local Government (DLG)

Introduction

In order to integrate the delivery of technical, financial, and information services to local governments, DLG includes several organizational or functional areas:

- **Financial Assistance**: Local governments can obtain grants and loans for capital improvements and for operations. Supported projects include, but are not limited to, local water and wastewater improvements, local road improvements, municipal and county facilities and public libraries. DLG also administers several formula-based distributions.
- **Technical Assistance**: Local government personnel receive training and individual assistance. Topics include, but are not limited to, conduct of local elections, land use planning, downtown revitalization, budgeting, community visioning and compliance with state statutes pertaining to local governments.
- **State Demography Office**: This office compiles, organizes and analyzes population and demographic information for the state. Its data are used by state agencies to forecast demand for facilities and services. Demographic data are also used by local governments and non-profit organizations in the state to anticipate growth or decline and to plan and develop programs and community resources. The office makes the data publicly available on DOLA's website, answers requests for economic and demographic data, and provides training workshops on accessing and using the data.
- **Field Services**: Eight regional managers provide on-the-ground technical assistance to local communities from offices located outside the Denver metro area.
- **In partnership with the Office of Emergency Management within the Department of Public Safety**: In the event of a disaster, DLG's role in partnership with OEM is to assist local governments impacted by the disaster. DLG's role in recovery efforts include working with the local government to establish, open and staff the Disaster Recovery Center. Additional roles include consultation in community and economic development in the rebuilding the community.

Division staff members partner with local, state, and federal financial resources to help communities through this financial downturn. Recent reductions in severance tax and federal mineral lease cash funds have had a significant negative impact on local governments' abilities to fund capital improvement projects such as water and waste water projects. Restoration of grant funds will be used to meet the backlog of deferred capital improvements at the local level.

The Division is responding to local government officials who make inquiries regarding creation of FML districts, budgets, property tax revenue limits, elections, and revenues and is providing technical assistance.

Implementation of Executive Order 5 (EO5) – to enhance the relationship between state and local government: EO5 requires 15 state agencies to consult with and engage local governments prior to the promulgation of any rules containing mandates. DOLA assisted in developing a web-based application in partnership with the State Internet Portal Authority (SIPA) and the Office of State Planning and Budgeting (OSPB). Agencies solicit input from municipalities, counties, special districts and school districts at the conception and draft status of rule promulgation. This solicitation of input is accomplished prior to the Administrative Procedure Act formal process. Significant FTE have been dedicated to the implementation without any additional FTE appropriated. This has negatively impacted other work. In the long-term, OSPB may consider securing staff resources to continue the administration of the EO5 process.

Constitutional and Statutory Authority

The Statutory Authority for the Division of Local Government (DLG) can be found in Title 24, Article 32, Section 103, of the Colorado Revised Statutes.

The Division of Local Government was created in 1966 as a recommendation of the Governor's Local Affairs Study Commission to:

1. Provide technical assistance and information to local governments on available federal and state programs and act as a liaison with other state agencies concerned with local governments.
2. Be a source of information to the Governor and General Assembly on local government needs and problems.
3. Perform research on local government issues.

Mission Statement

The Division of Local Government provides high quality technical and financial assistance services to local governments and communities throughout Colorado to enable them to achieve sustainable community development.

Vision Statement

The Division of Local Government strengthens Colorado communities by assuring that local governments and their citizens receive the resources they need to achieve their goals.

Performance Aims, Measures and Benchmarks

Objective 1 Performance Measure	**Outcome**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**
Assist to ensure local government compliance with Annual Levy Law (CRS 29-1-301). Monitor local governments and order mill levy reduction for those found in violation.	Benchmark	100%	100%	100%	100%
	Total Orders/ Total Violations	23/23			
	Actual	100%			
Assist to ensure local government compliance with completing and filing Annual Budget (CRS 29-1-113) Monitor local governments, provide late notification, and direct county Treasurer to withhold funds.	Benchmark	95%	95%	95%	95%
	Total to be filed/ Total Withheld	3,034 /202			
	Actual	93.3			

Objective 2 Performance Measure	**Outcome**	**FY 2012**	**FY 2013**	**FY 2014**	**FY 2015**
Assess and improve customer service delivery to achieve a 90% favorable customer service rating	Benchmark		80%	85%	90%
	2012 Survey establish benchmark	TBD December 2012			
	Actual	TBD			

Objective 3 Performance Measure	Outcome	FY 2012	FY 2013	FY 2014	FY 2015
Increase awareness and knowledge of demographic, economic and financial data among state agencies, local governments and others with the intention of maximizing their use of the data in decision making and service improvement.	Benchmarks except 2012:				
	Economic/demographic presentations	80	40	40	40
	Main Street Profiles	0	12	3	3
	Income Surveys guidelines	18	10	10	10
	Technical Assistance				
	Webinars and Web-based training on integrated financial & demographic tool	4	5	5	5

Objective 4 Performance Measure	Outcome	FY 2012	FY 2013	FY 2014	FY 2015
Enhance local governments' community and economic development efforts, including land use planning and downtown revitalization	Benchmarks except 2012:				
	Main Street communities detailed work plan	5	10	14	14
	Webinars/trainings on Community Development		50	50	50
	Communities receive competitive funding resulting from technical assistance	96	96	96	100
	Intensive technical assistance to communities	290	290	290	290

Objective 5 Performance Measure	Outcome	FY 2012	FY 2013	FY 2014	FY 2015
	Benchmarks except 2012:				
Improve local governments' capacity to administer and implement grants awarded. (DOLA tenets #1, #2 and #4)	Utilize 2012 baseline data to track 85% of grantees achieving quarterly submissions and reducing grant violations. A 10% decrease in violations in subsequent years *	TBD by June 30 2012	2% less violations than 2012	2% less violations than 2013	2% less violation than 2014
	Provide five different mandatory trainings per year related to grant administration	TBD	5	5	5

*Energy impact program suspended for 3 years – no new contracts with submission requirements.

Objective 6 Performance Measure	Outcome	FY 2012	FY 2013	FY 2014	FY 2015
Improve local governments' transparency through increased online postings of statutory and other public documents for general public viewing. (DOLA tenets #1, #2 and #4)	Benchmark: Convert the 80,000 documents submitted by local governments to digital images and implement an electronic portal for public access viewing by June 2014.	Convert 80 k archive paper documents to digital images	Make digital archives web accessible	ID top barriers remaining	Resolve and evaluate
	Actual	80k Archives converted			
	Benchmark: Complete technology conversion to receive all 20,000 new annual documents submitted by 3,003 local governments into digital form and make available for public viewing.	Test system with 150 Title 32 Special Districts	452 Special Districts	452 Special Districts	754 Special Districts
	Actual	150 Special Districts Tested and Implemented			
	Benchmark: Convert annual documents of 1,807 local governments not submitted in digital format to digital for public viewing by June 2014.	Beta System for mailed documents completed	Digitize 10k documents	Digitize 5k documents	Digitize 5k documents
	Actual	Planning and design begun			
	Benchmark: FY 2014 Develop and implement tool for public use an online integrated analytic tool for demographic and financial information			Planning and design complete	Tool Implement