

Governor's Office – Legislative Flood Committee Update

February 14, 2014

Henry Sobanet, Director Governor's Office of State Planning and Budgeting

James Davis, Executive Director of Colorado Department of Public Safety

Stephanie Donner, Executive Director and General Counsel, Governor's Recovery Office



Agenda

- Recovery Office update (Stephanie)
- Public Assistance Local Cost-Share (Henry)
- CDBG-DR Programs and Action Plan (Stephanie)
- FEMA Public Assistance disbursements (James Davis)



Recovery Office Update

- D.C. Visit to HUD and FEMA
- Governor/COS visit with White House staff
- New Chief Recovery Officer Begins Feb. 18
- Submit CDBG-DR Action Plan Feb. 21
- Convene Stream Steering Committee Feb. 20

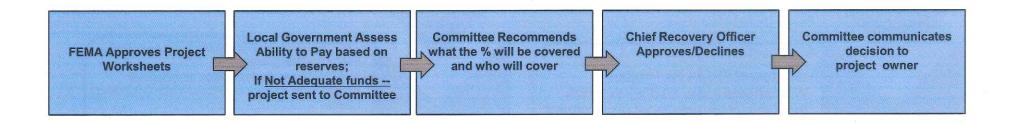


Recovery "Cost Share" Committee

- ISSUE: Many local governments will not be able to make the 12 ½ % match for public assistance under the FEMA regulations..
- Purpose: To evaluate those local governments who have approved project worksheets that exceed their fund reserves and create: (1) clarity on decision making; (2) clarity on process; and (3) criteria for eligibility for those local governments.
- Committee Members:
 - •Budget Director, Governor's Office of State Planning and Budgeting (chair)
 - Director of Colorado Municipal League
 - Director of Colorado Counties Inc.
 - Director of Special Districts Association
 - Executive Director of Department of Local Affairs
 - •Executive Director of Department of Transportation
 - •Executive Director of Department of Public Safety/Office of Emergency Management
 - •Governor's Recovery Office representative



Cost Share Committee Process



- Requests received from Jamestown and Lyons
- Met with both communities on 1/28

5

Methodology for Cost Share Recommendation



1. Evaluate Applicant's Ability to Pay Revenue/Capacity

- Default cost share = 12.5%
- Approved worksheets exceed 5% of fund's revenue

4. Increased State Cost-Share Scale Per Fund

- First Increased Cost Share = 17.5% of Fund Assigned Approved Project Worksheets if Available Reserves are less than 12.5% of Fund Assigned Approved Project Worksheets
- Second Increased Cost Share = 22.5% of Approved Project Worksheets if Available Fund Reserves are less than 7.5% of Fund Assigned Approved Project Worksheets

2. Identify All Available Fund Reserves Approved FEMA PA Project Worksheets (own 12.5%) exceeds Available Reserves local government is eligible for increased state PA costshare for the qualifying "fund"...

5. Other Eligibility Consideration

- TABOR Voter Authorization to receive and expend state grants.
- TABOR Voter Authorization to retain all revenues in excess of "Fiscal Year Spending Limits."
- TABOR Enterprise "status" of proprietary/utility funds.
- Other Funding including Gifts, Grants, and Donations.

3. "Fund"
Assignment of
Approved Project
Worksheets

 Each Approved Project Worksheet will be uniquely assigned by FEMA PW Type to the appropriate fund

6.Recommendation and Amendment

- If approved, OEM tracks and assigns to appropriate fund.
- Sliding scale if situation changes.



CDBG-DR Program Overview

- Beginning in 1993, Congress appropriated funding to HUD for federally declared disasters (e.g. Hurricane Sandy).
- Funds are used to cover a portion of the unmet needs for housing, infrastructure and economic revitalization damage.
- Addresses 10% or less of unmet need.
- Unmet needs are costs not covered by FEMA, SBA, or insurance.
- Colorado has been notified it will receive \$62.8M in CDBG-DR funds.
- 80% of funds must go to Boulder, Larimer, and Weld counties.
- Requesting second round of funds from HUD.



Roadmap to Receive \$62.8M CDBG - DR

- ✓ Determine Unmet Need
- ✓ Current Total Damage Assessment Delivered to HUD Jan 6, 2014
- Submit Partial Action Plan to HUD Feb. 21, 2014
 - ✓ Make draft Action Plan available on DOLA Website
 - ✓ Stakeholder Engagement meetings Jan. 21-24
 - ✓Incorporate stakeholder feedback from January meetings
 - ✓ Post Action Plan for Comment Feb. 10 18
 - ✓ Public meetings Feb. 11-13
 - Incorporate public feedback into Plan
- HUD Approves partial Action Plan estimated April 2014
- Begin accepting applications for funds

Our current assessment of total damages is \$3.35B (as of 1/31)



| Estimate of Unmet Need | Total Damage | Funds Dispersed / Eligible | Unmet Need | |
|--|---|----------------------------|----------------------|--|
| Housing - Homes - Private Roads / Bridges | \$665M \$5.9M | | | |
| | Total = \$670.9M | Total = \$203M | \$468M | |
| Economic Development -Businesses -Agriculture -Tourism / Visitor Marketing | \$542.7M \$13.4M Total = \$556.1M | Total = \$69M | \$487M | |
| Infrastructure (Public) | \$1.592B (PA Projects, CDOT and Ditches, Dams & Streams) \$527M (Mitigation & Resiliency Costs) Total = \$2.120B | Total = \$972M | \$1.15B | |
| Total | \$3.35B (as of 1/31) | \$1.24B (as of 1/31) | \$2.10B (as of 1/31) | |



Action Plan at a High Level

- Three categories of need:
 - Housing 43% of total allocation
 - Economic Revitalization 25% of total allocation
 - Infrastructure 32% of total allocation
- Allocated funds based on needs of individuals, the State's Damage Assessment, and stakeholder feedback.
- Action Plan encourages funds to be distributed based on community priority.
- 80% of funds must be spent in the 3 most impacted counties -Boulder, Larimer and Weld.
- 50% of the funds must benefit low/moderate income individuals

Initial CDBG-DR Allocation



| Housing | Prog | gram Budget | Budget Spending CDBG-DR |
|---|------|------------------------|-------------------------|
| Hausing Danning | · c | 9.040.000 | |
| Housing Repairs Construction - Rental | \$ | 8,949,000 6,264,300 | |
| | \$ | 4,176,200 | |
| Construction - Single Family Home Access Program (Private Roads and Bridges) | \$ | 2,000,000 | |
| Temporary Assistance | \$ | 1,789,800 | |
| Housing Purchase (Downpayment Assistance) | \$ | 1,193,200 | |
| Clearance and Demo | \$ | 894,900 | |
| Redevelopment Planning for High Impact Areas | \$ | 596,600 | |
| tedevelopment riamming for riight impact Areas | Ψ | 330,000 | 43% |
| Subtotal | \$ | 25,864,000 | 32% |
| Economic Recovery | | Budget | |
| Grant Program | \$ | 5,000,000 | 25% |
| Recover Colorado Loan | \$ | 4,000,000 | |
| Agriculture | \$ | 5,500,000 | 行的技术 |
| Tourism Marketing | \$ | 500,000 | |
| o anominamo ang | | | |
| Subtotal | \$ | 15,000,000 | |
| Infrastructure | | Budget | |
| Recover Colo Grant | \$ | 18,881,000 | ■Housing |
| Total | \$ | 18,881,000 | ■Economic Recovery |
| Total | Ψ | 10,001,000 | ■Infrastructure |
| Administration | \$ | 3,055,000 | # ITTITUSE; GUGIL |
| TOTAL | DBG- | DR Allocation | |
| | ** | 2,800,000 | |



Update from Public Meetings

- Manitou need additional help on tourism/marketing and stream restoration
- Estes Park need additional help on tourism/marketing and stream restoration
- Boulder need assistance on stream debris removal
- Evans Bella Vista and Eastwood Village Parks

FEMA Reimbursements to Communities



- Increased staffing to speed up expenditures to communities
- FEMA Funds released in two ways:

Purchase Orders

- < \$67,500
- 173 issued to date
- \$3,795,451.79 released

Contracts for reimbursement

- > \$67,500
- 40 executed to date
- \$260,093 released