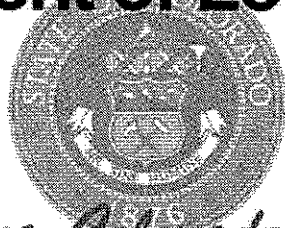

Department of Local Affairs



Strengthening Colorado Communities

Briefing Paper
For
Economic Opportunity Poverty Reduction Task Force
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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*
- *Emergency preparation, prevention, response and recovery*

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

DOLA's tag line to its mission statement is: ***"Strengthening Colorado's Communities."***

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.

Current Programs

To achieve our mission and vision, DOLA reaches out to its state, regional, local, private and nonprofit partners, drawing on necessary technical expertise and funding resources, with a regionally collaborative focus.

- **Community Service Block Grants**
 - \$5 million FY 08/09
 - \$6 million traditional program; \$8.7 million added with ARRA funds FY 09/10
 - 40 eligible entities statewide
 - Eligibility at or below 125% of federal poverty guidelines
 - Targets low income persons with the goal of improving their lives through increased self-sufficiency and better conditions and access to services
- **Community Development Block Grants**
 - \$21 million FY 08/09 (\$10 million is typical).
 - \$8.3 million traditional program funds; \$2.8 million added with ARRA funds, FY 09/10
 - Competitive grants to non-entitlement communities
 - Focuses on affordable housing, infrastructure and economic development



- DOLA partners with Governor's Office of Economic Development in administering this program
- Home Investment Partnership
 - \$1.4 million FY 08/09; \$8 million FY 09/10
 - Provides funds to increase home ownership and affordable housing
 - Targets low and very low incomes
 - DOLA provides grants to partner agencies for tenant-based rental assistance, housing rehabilitation and assistance to homebuyers
- Emergency Shelter Grants
 - \$327,000 FY 08/09; \$947,000 FY 09/10
 - DOLA provides grants to partners to provide emergency and transitional shelters for the homeless
 - Funds can be used for facility operations, social services and homelessness prevention
- Housing Choice Voucher Program (Section 8)
 - \$3.2 million FY 08/09; \$18 million FY 09/10
 - Improves living conditions for very-low income families
 - Promotes freedom of housing choice to very low income and minority families
 - Provides decent, safe and sanitary housing for eligible participants
 - Incentivizes property owners to offer rental opportunities to very-low income families
- Housing Development Grant
 - \$2.2 million 08/09; \$2.2 million FY 09/10
 - State funds that historically range from \$1-4 million per year
 - Not constrained by federal regulations, so used to fill in gaps underserved by federal funds
- Foreclosure Prevention Grant
 - \$100,000 FY 08/09; \$188,000 FY 09/10 (includes settlement funds)
 - Funds used for Foreclosure Prevention counseling
 - Some, but not all, recipients are at or below federal poverty guidelines

The American Recovery & Reinvestment Act (ARRA) supplements two existing programs: Community Service Block Grants (CSBG) and Community Development Block Grants (CDBG). ARRA also created the Homeless Prevention and Rapid Re-housing Program (HPRP).

- Homelessness Prevention & Rapid Re-housing Program
 - \$8.1 million
 - Short and medium-term assistance
 - Security deposits assistance
 - Utility payment assistance

Estimated Employment Generated through DOLA Discretionary Grant Programs and Locally Leveraged Funds

Federal and state grant dollars have an important economic impact in Colorado. Not only do they help provide the goods and services that communities need, they also help to support and generate jobs. **Through the Department of Local Affairs over \$126 million dollars in grants was leveraged with \$518.6 million local dollars for a total of over \$645 million in community projects during FY 08-09. These combined dollars created or supported an estimated 5,321 direct jobs. A total of 10,909 jobs were created or supported in a calculation that includes the indirect and induced jobs made possible through this economic activity.**

Methodology

The number of jobs supported through grant dollars and local match by region and for the state was estimated using information from the Regional Input-Output Modeling System (RIMSII) produced by the Bureau of Economic Analysis (BEA). Calculations based on individual project type and region form varied employment per million dollars of spending ratio. For example, construction of roads and streets in the Eastern Plains has an employment per million dollars ratio of 9.148. This means that for every million dollars of spending on roads and streets an estimated 9.148 jobs are supported. Estimations based on those factors were summed for a state total.

Not all grants fund activities support direct jobs. For example, a new fire truck in most cases replaces an older truck and does not have comparable employment impact similar to a construction project. Grants for rolling stock like fire trucks were not used to estimate support jobs created. Grants for equipment that require installation were partially included. For example, a grant for a new HVAC system covers the cost of the equipment and the installation. Detailed breakdowns by project type are available upon request.

Employment multipliers were also generated using RIMS II. Multipliers were used to estimate the complete impact of an economic activity. For instance, a directly supported job constructing a new wastewater line also helps to support jobs in an indirect industry like concrete. Also, funds are spent on direct job salaries in the local community at grocery stores and restaurants. These are referred to as induced effects. A Colorado aggregate multiplier of 2.5 was generated using multipliers by general project type (construction, professional services, administration, retail) and used to estimate the total number of jobs grants support.

Future Directions

DOLA utilizes a wide array of programmatic tools to improve people's lives. DOLA's efforts reduce poverty across the state through strategic investment in Colorado communities. In partnership with local, state and federal agencies, DOLA focuses on seven basic sustainability principles:

- 1. Provide more transportation choices**
- 2. Promote equitable, affordable housing**
- 3. Increase economic competitiveness**
- 4. Support existing communities**
- 5. Enhance integrated planning and investment**
- 6. Value healthy communities and neighborhoods**
- 7. Conserve valuable resources**

