



**MONUMENT TOWN COUNCIL
STUDY SESSION & REGULAR MEETING AGENDA
MONDAY, JUNE 15, 2026 – 5:30 PM**

Monument Town Hall - Council Chambers
645 Beacon Lite Road - Monument, CO 80132

[Participate Via Microsoft Teams](#)

Participate Via Telephone 719-300-6099 ID: 108 957 236#

1. Study Session Starting at 5:30 PM:

- a. Paid Parking at Monument Lake

2. Call Regular Meeting to Order at 6:30 PM, Pledge of Allegiance, Roll Call:

3. Disclosures of Conflicts of Interest:

- a. Disclosures of Potential Conflicts of Interest
- b. Vote on Excluding Council Members With Potential Conflicts of Interest From Consideration, Discussion and Voting on Identified Matters

4. Approval of the Consent Agenda:

- a. Agenda - June 15, 2026
- b. Meeting Minutes - June 1, 2026
- c. Resolution No. 42-2026 - A Resolution to Purchase a Crack Seal Machine - (*Andrew Archuleta*)
- d. Resolution No. 43-2026 - A Resolution Approving an Intergovernmental Agreement Between the Town of Monument and the El Paso County Department of Economic Development Allowing for the Use of Community Development Block Grant Funds for the Federal Fiscal Years of 2027-2029 - (*Madeline VanDenHoek*)

5. Public Comments For Items Not on the Agenda: *Individuals attending in person may raise their hand to indicate their desire to comment. Individuals attending via Teams may "raise their hand" digitally to comment via connected devices. Please lower your hand when finished with your comments. Comments are limited to 3 minutes.*

6. Oaths of Office:

- a. Officer Cameron Brown, Officer Brandon Cordova, and Sergeant Josh Teeples - (*Chief Regan*)

7. Presentations:

- a. Use Tax Survey - (*Magellan Strategies*)
- b. HB26-1001 Housing Developments on Qualifying Properties - (*Town Attorney*)
- c. Data Centers Initial Report - (*Jenna Gorney*)

8. Resolutions:

9. Future Agenda Item Authorization:

10. Reports:

- a. Town Manager's Monthly Report - (*Madeline VanDenHoek*)

11. Council Comments:

12. Executive Sessions:

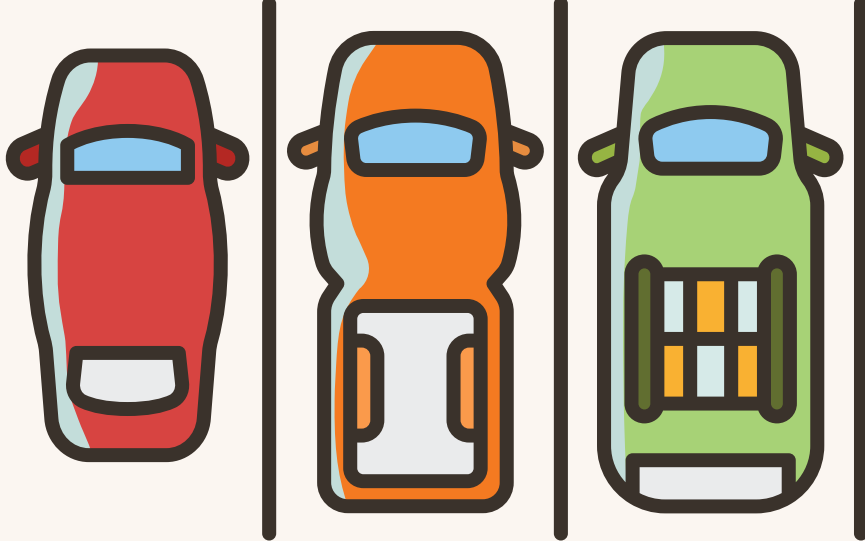
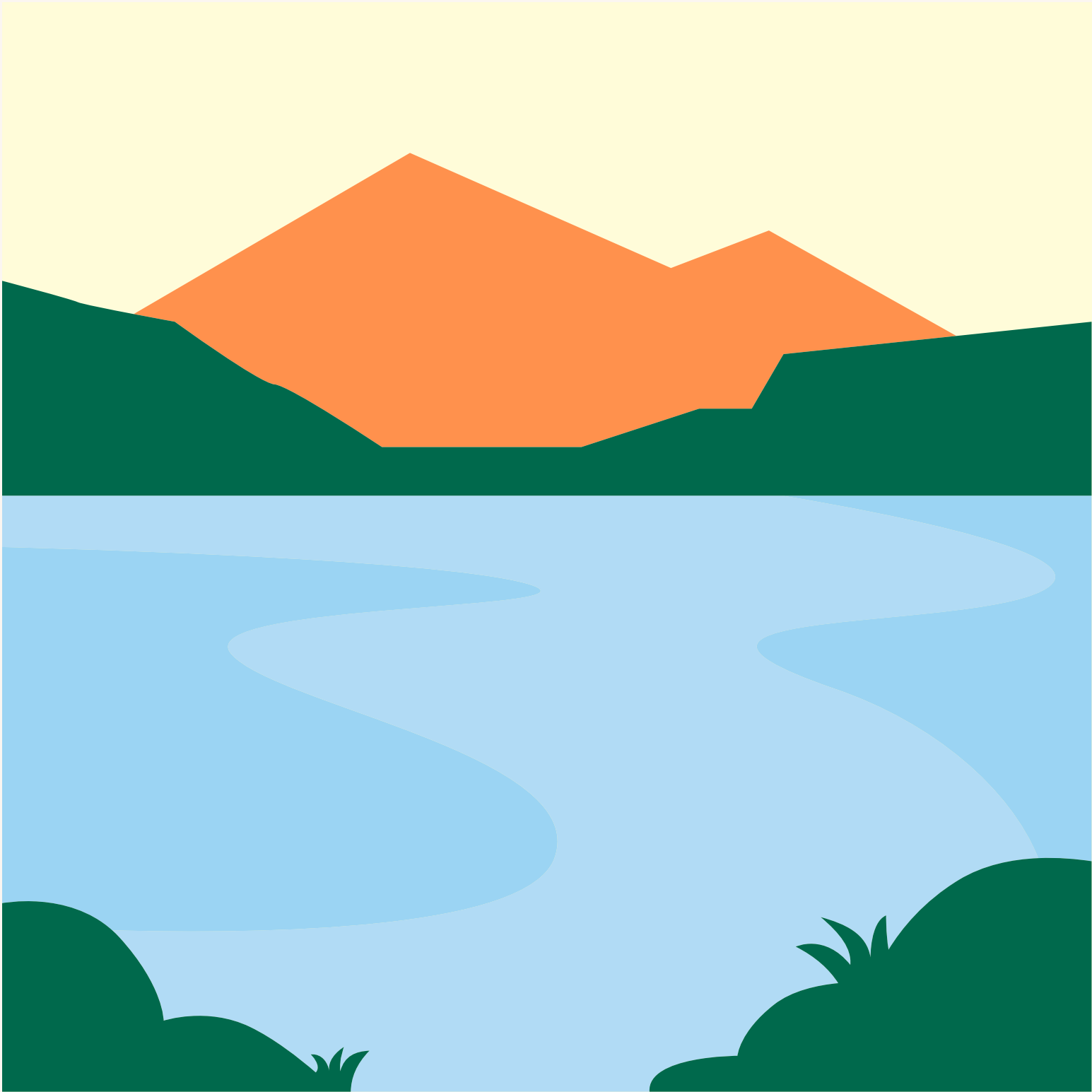
- a. Executive Session Pursuant to §24-6-402(4)(f), C.R.S. For a Personnel Matter Concerning the Town Manager's Performance Evaluation, Who Has Been Notified of the Executive Session and Consented To It
- b. Executive Session Pursuant to §§ 24-6-402(4)(e) and 24-6-402(4)(b), C.R.S., For Determining Positions Relative to Matters That May Be Subject to Negotiation, Developing Strategy For Negotiations, and Instructing Negotiators and For a Conference With the Town Attorney to Receive Legal Advice on Specific Legal Questions Relating to Proposals For Future Town Water Supplies

13. Reconvene In Open Session: *Council may act in open session on item(s) discussed in executive session.*

14. Adjournment:

Paid Parking at Monument Lake Update

Monument Town Council Meeting
June 15, 2026



Overview



- 2025 Budget Analysis indicated a need to reduce expenses and increase revenues
- Various options presented to Committee and Council – Recommended pursuing Paid Parking at Monument Lake
- Presented to Council on May 18
 - Public Comment
 - Council Questions
 - Referred back to Committee

Staff Recommended two kiosk system with limited enforcement

How It Works

- Two physical pay stations located on-site
- Visitors purchase parking and receive a printed permit
- Permit displayed on dashboard
- Staff utilize visual inspection only (no formal enforcement program)

CSLAC Direction

- Supports a voluntary compliance approach
- Payment is visible and transparent
- Visitors can easily see whether others have paid
- Encourages social compliance without citations

Benefits

- Works for all visitors (no smartphone required)
- Simple and intuitive to operate
- Physical, visible system reinforces accountability
- Clear confirmation of payment via printed permit

New Considerations

- Resident Annual Permit
- Impact on neighborhoods
- No parking along Mitchell
- Charge on community event days

Projected Parking Revenue - Monument Lake



Conservative Assumptions:

- Daily rate - \$5.00
- Resident annual permit = \$100
- Total spaces: 91
- Peak season: 120 days
- Off-season: 245 days
- Off-season occupancy is 10% of peak season level
- Users paying for a parking spot stay all day

Projected Parking Revenue - Monument Lake*

Occupancy Rate	Occupied Spaces/Day (Peak)	Peak Season Revenue	Occupied Spaces/Day (Off-season)	Off-season Revenue	Total Parking Revenue
40%	36.4	\$21,840	3.6	\$4,459	\$26,299
50%	45.5	\$27,300	4.6	\$5,574	\$32,874
60%	54.6	\$32,760	5.5	\$6,689	\$39,449
70%	63.7	\$38,220	6.4	\$7,803	\$46,023
80%	72.8	\$43,680	7.3	\$8,918	\$52,598

*Does not include revenue for annual permits

Comparable Case - Town of Palmer Lake

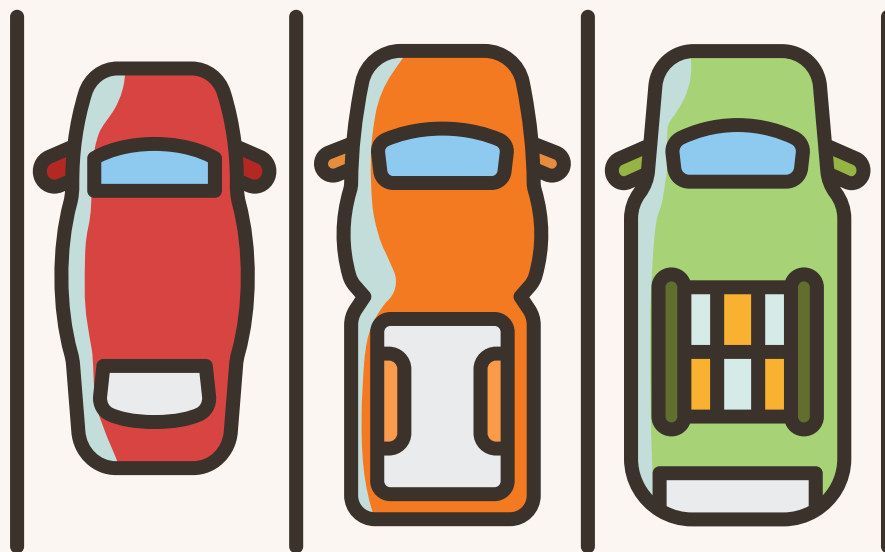
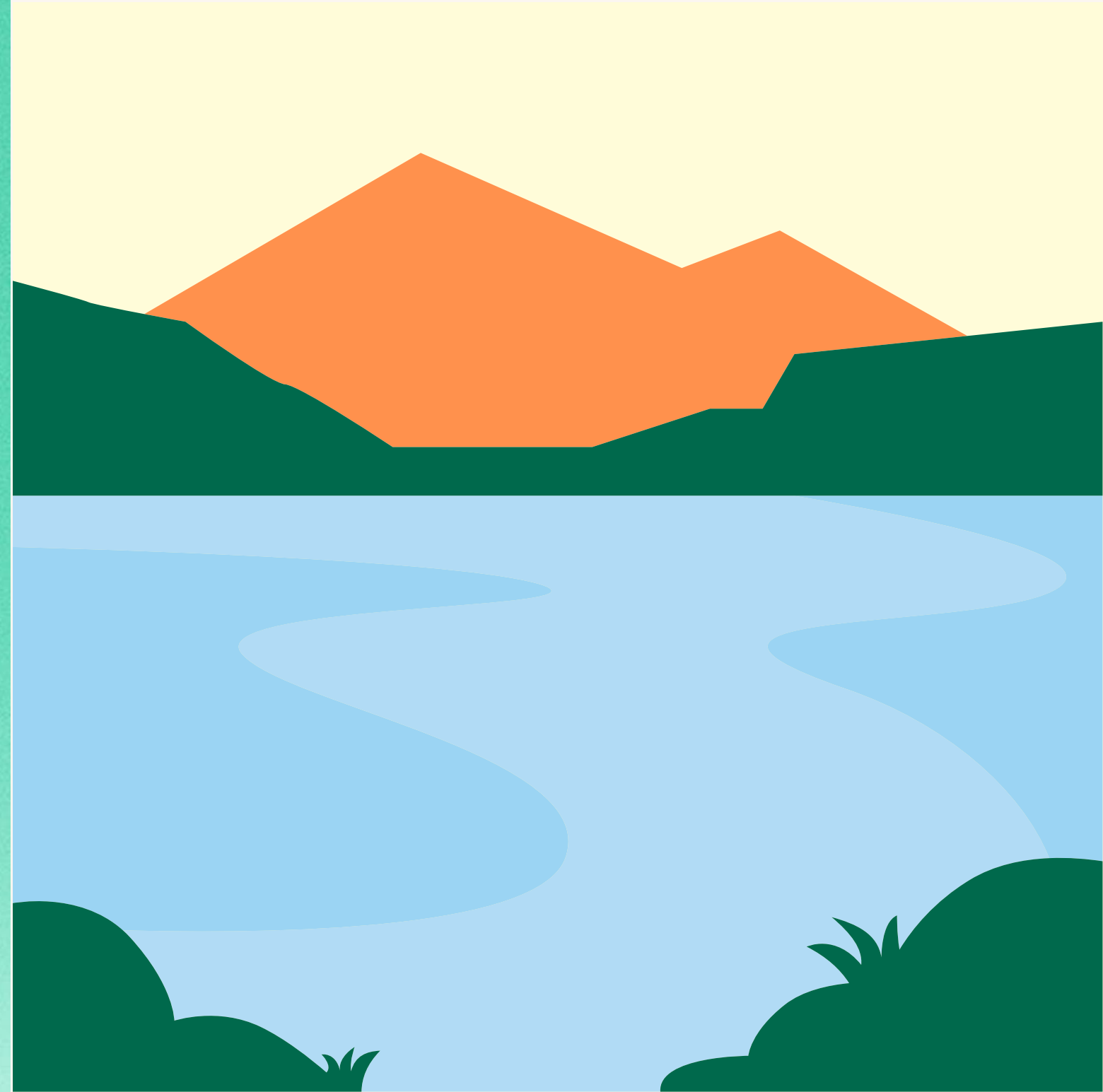
- Uses T2 Systems.
- 15-20 parking spots at Glen Park Trailhead.
- Charges: \$5.30 per day.
- Reports \$45K annual revenue.
- Fine for violations: \$50 + \$19 surcharge per citation.
- Use payment kiosk
- No mobile payment option
- Enforcement by police officers
- Visual inspection of paper receipts on dashboards + online portal



PARKING KIOSK REVENUE & EXPENDITURES

	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 NOVEMBER ACTUAL
<i>FISCAL YEAR</i>				
Revenue	51,519	47,207	53,230	50,368
Expenditures	4,241	6,042	11,205	9,882
Total Expenditures	4,241	6,042	11,205	9,882
Fiscal Year Net Revenue (revenue minus expenditures)	47,278	41,165	42,025	40,486
<i>CUMULATIVE</i>				
Beginning Balance	-	47,278	88,443	130,468
Fiscal Year Net Revenue	47,278	41,165	42,025	40,486
Ending Balance	47,278	88,443	130,468	170,954

Questions?



**MONUMENT TOWN COUNCIL
MEETING MINUTES**

Monday, June 1, 2026 - 6:30 PM

Monument Town Hall - 645 Beacon Lite Rd., Monument CO 80132
Hybrid Meeting - Remote Participation Via Teams

1. Call to Order, Pledge of Allegiance, Roll Call:

Mayor Mitch LaKind called the regular meeting of the Monument Town Council and led those assembled in the Pledge of Allegiance. Proper notice of the meeting was posted for more than 24 hours in the designated posting locations. The following Councilmembers and staff were present for the meeting:

TOWN COUNCIL	TOWN STAFF
PRESENT: Mayor Mitch LaKind Mayor Pro Tem Steve King Councilmember Laura Kronick Councilmember Chad Smith Councilmember Kenneth Kimple	Madeline VanDenHoek, Town Manager Tina Erickson, Town Clerk Bob Cole, Town Attorney Will Williams, Director of IT Thomas Tharnish, Director of Public Works Jennifer Phillips, Director of Finance Laura Hogan, Director of Administration Dan Ungerleider, Director of Planning Emily Trujillo, HR Manager Steve Murray, Town Accountant Timothy Johnson, Commander of Police
ATTENDED REMOTELY:	
ABSENT WITH PRIOR NOTICE: Councilmember Marco Fiorito Councilmember Sana Abbott	
ABSENT WITHOUT PRIOR NOTICE:	

2. Disclosures of Conflicts of Interest:

- a. Disclosures of Potential Conflicts of Interest
- b. Vote on Excluding Council Members With Potential Conflicts of Interest From Consideration, Discussion and Voting on Identified Matters
- No disclosures with potential conflicts of interest were received.

3. Approval of the Consent Agenda:

- a. Agenda - June 1, 2026
- b. Meeting Minutes - May 18, 2026
- c. Invoices Over \$25K
- d. Resolution No. 36-2026 - A Resolution Approving Intergovernmental Agreement (IGA) Between the Town of Monument and Monument Academy for

School Resource Officers for the 2026-2027 School Year
Councilmember Laura Kronick made a motion to approve the consent agenda as presented, the motion was seconded by Mayor Pro Tem Steve King. Roll call vote was taken and the motion passed 5 to 0.

4. Public Comments For Items Not on the Agenda:

-No public comments were received.

5. Proclamations:

a. A Proclamation Declaring Support For Community Action Against Human Trafficking

Mayor Mitch LaKind introduced the proclamation declaring support for community action against human trafficking and read the proclamation, the council proclaimed our support for community action against human trafficking on June 1, 2026

6. Presentations:

a. Girls of the West

The Girls of the west, Pikes Peak or Bust Rodeo, and Pikes Peak Range Riders gave a presentation and invited everyone to the western street breakfast on June 17th and the rodeo starting July 14-18, 2026.

b. User Fee Study

Phillips presented the user fee study as included in the council packet. The Planning Department will look into operating a business in a parking lot Temporary Use Permit. Park reservation deposit modification. VanDenHoek does not recommend changing the business license fees as suggested. Ungerleider is concerned with raising the planning rates too much as it could be harmful to future development. Councilmember Chad Smith suggested a step-up approach or a percentage to increase the planning fees to minimize the heavy impact on development. Councilmember Kenneth Kimple proposed questions on transaction fees with the recommendation of a 3% fee, notary fees for admin and court also about cemetery fees open/close. Hogan clarified that the maximum amount for a notary fee is \$15.00. Phillips clarified that all fees will be either rounded up or rounded down rather than having miscellaneous change. Mayor Pro Tem Steve King requested the Planning Department to look at the development impact on the town relative to the taxpayer's impact on the town, since impact fees were not raised at the last study.

c. Employee Survey Results

Trujillo presented the employee survey results as included in the council packet.

7. Ordinances:

a. Ordinance No. 14-2026 - An Ordinance Granting Approval of the Zoning of

the Beacon Lite Water Tank Site to Public (P)
Gorney presented ordinance no. 14-2026 as included in the council packet. Mayor Mitch LaKind opened the public hearing; no public comments were received. Mayor Mitch LaKind closed the public hearing. Councilmember Chad Smith made a motion to approve ordinance no. 14-2026 and the motion was seconded by Mayor Pro Tem Steve King. Roll call vote was taken and the motion passed 5 to 0.

8. Resolutions:

a. PUBLIC HEARING on Resolution No. 37-2026 - A Resolution Adopting an Amended Budget for the Purposes Set Forth Below for the Town of Monument, Colorado, Beginning on the First Day of January 2026 and Ending on the Last Day of December 2026

Phillips presented resolution no. 37-2026 as included in the council packet. Murray presented the general fund financial forecast. Mayor Mitch LaKind opened the public hearing; no public comments were received. Mayor Mitch LaKind closed the public hearing. Councilmember Laura Kronick made a motion to approve resolution no. 37-2026 and the motion was seconded by Councilmember Chad Smith. Roll call vote was taken and the motion passed 5 to 0.

b. Resolution No. 38-2026 - A Resolution Appropriating Sums of Money to the Various Funds in the Amounts Set Forth Below for the Town of Monument, Colorado, Beginning on the First Day of January 2026 and Ending on the Last Day of December 2026

Phillips presented resolution no. 38-2026 as included in the council packet. Councilmember Chad Smith made a motion to approve resolution no. 38-2026 and the motion was seconded by Mayor Mitch LaKind. Roll call vote was taken and the motion passed 5 to 0.

c. Resolution No. 41-2026 - A Resolution to Approve Financial Policies to Ensure the Town is Capable of Adequately Funding the Government Services Desired by the Community

Phillips presented resolution no. 41-2026 as included in the council packet. Councilmember Laura Kronick made a motion to approve resolution no. 41-2026 and the motion was seconded by Councilmember Chad Smith. Roll call vote was taken and the motion passed 5 to 0.

d. Resolution No. 39-2026 - A Resolution Approving a Professional Design Services Agreement with Moore Engineering Inc. to Provide Professional Engineering Services Related to Updating the Town of Monument Water Master Plan

Tharnish presented resolution no. 39-2026 as included in the council packet. Councilmember Chad Smith made a motion to approve resolution no. 39-2026 and the motion was seconded by Mayor Mitch LaKind. Roll call vote was taken and the motion passed 5 to 0.

e. Resolution No. 40-2026 - A Resolution Approving an Agreement With the

Town Engineer, IMEG, to Provide Professional Engineering Services to Update the Town's Water Standards and Specifications

Tharnish presented resolution no. 40-2026 as included in the council packet. Councilmember Chad Smith made a motion to approve resolution no. 40-2026 and the motion was seconded by Mayor Pro Tem Steve King. Roll call vote was taken and the motion passed 5 to 0.

9. Future Agenda Item Authorization:

- IGA with El Paso County for the use of community development block grant funds for the fiscal years 2027-2029 on June 15, 2026.

10. Council Comments:

- Councilmember Laura Kronick- World Elder Abuse Awareness Day on June 15, 2026 a proclamation will be read at the BOCC Centennial Hall Auditorium on June 9th. Colorado Senior games on June 5-7, 2026 for more information go to coloradoseniorgames.org.
- Mayor Mitch LaKind- gave condolences to the former state representative Lois Landgraf.

11. Executive Session:

a. Executive Session Pursuant to C.R.S. §24-6-402(4)(b) and C.R.S. §24-6-402(4)(e) for a Discussion With the Town's Attorney to Receive Legal Advice on a Complaint and for Determining Positions Relative to Matters That May be Subject to Negotiation, Developing Strategy for Negotiations and Instructing Negotiators Relating to Same

Mayor Mitch LaKind moved to enter executive session pursuant to C.R.S. 24-6-402(4)(b) and C.R.S. 24-6-402(4)(e) for a discussion with the Town's Attorney to receive legal advice on a complaint and for determining positions relative to matters that may be subject to negotiation, developing strategy for negotiations and instructing negotiators relating to the same and to adjourn the regular meeting upon conclusion of the executive session, no action will be taken.

Councilmember Laura Kronick seconded by Councilmember. Roll call vote was taken and the vote passed 5 to 0.

-The Council entered executive session at 08:53 pm.

-The Council concluded executive session at 09:18 pm.

12. Adjournment:

The regular council meeting was adjourned at 09:18 pm.

Respectfully Submitted,

Tina Erickson, Town Clerk

draft



TOWN OF MONUMENT COUNCIL MEMORANDUM

TO: Mayor and Town Council

FROM: Andrew S. Archuleta, Assistant Director of Public Works

DATE: June 15, 2026

SUBJECT: Resolution No. 42-2026 A Resolution to Purchase a Crack Seal Machine

STRATEGIC PRIORITIES (2026–2028)

Ensure Long-Term Financial Health and Sustainability - Supports long-range financial health, forecasting and sustainability to ensure efficient and resilient municipal services.

BACKGROUND: Over the past four years, the Town has relied on contracted services to complete roadway crack sealing, with a total expenditure of approximately \$106,200. These costs include not only the crack sealing work, but also mobilization and traffic control. While these services have been effective in maintaining roadway conditions, they represent a significant ongoing cost.

After discussions with our streets department, it has been determined that they can perform crack sealing operations in-house. The department has the personnel, experience, and ability to manage traffic control and execute the work safely and efficiently.

As part of the Town's commitment to cost-effective infrastructure management and proactive pavement preservation, staff explored the purchase of a crack seal machine. Bringing this service in-house will result in long-term cost savings, improved operational control, and enhanced responsiveness to maintenance needs.

DISCUSSION/ANALYSIS: Crack sealing is a critical component of a comprehensive pavement preservation program and serves as one of the most cost-effective methods for extending the service life of roadways. When cracks develop in asphalt pavement, they

allow water to infiltrate the surface and penetrate the underlying base and subgrade layers. This intrusion accelerates deterioration, weakens the structural integrity of the roadway, and leads to more severe distress such as potholes, alligator cracking, and eventual pavement failure.

Performing crack sealing operations with our streets crew provides additional operational and financial benefits. Utilizing Town staff allows for improved responsiveness to changing conditions, and the ability to target priority areas more efficiently. In-house operations also reduce reliance on contractors, whose availability may be limited and whose costs are increasing every year.

With our own crack seal machine, we can complete a greater number of lane miles annually compared to contracted services. This increased production capacity strengthens the overall roadway system in a shorter timeframe, improves ride quality for residents, and supports long-term asset management.

FINANCIAL IMPACT: The contract for the Crack Pro TR 125 is not to exceed **\$56,538.00**. Public Works has budgeted \$57,000 within the Streets Capital Projects Vehicles/Equipment Fund to cover the cost of the new machine.

The proposed equipment purchase complies with the Town's procurement manual as the vendor is using Sourcewell pricing, which is allowed without submitting a bid. The total price includes the machine, shipping, initial training with the crew and follow up training after the crew has used the machine.

Sourcewell pricing is a significant benefit because it leverages the collective purchasing power of thousands of public agencies to secure competitively solicited, pre-negotiated contracts.

RECOMMENDED ACTION: Staff recommend approving the purchase of the crack seal machine from SealMaster.

RESOLUTION NO. 42-2026

A RESOLUTION TO PURCHASE A CRACK SEAL MACHINE

WHEREAS, the Town of Monument has identified the need to ensure long-term financial health and sustainability as a strategic priority for 2026–2028, including supporting prudent financial planning, long-range forecasting, and responsible investment in order to maintain efficient, resilient, and high-quality municipal services for the benefit of the Monument community;

WHEREAS, the purchase of a new crack seal machine will improve operational efficiency, reduce downtime, and enhance the quality and consistency of pavement maintenance activities, and;

WHEREAS, the use of cooperative purchasing through Sourcewell provides competitively solicited pricing and streamlines the procurement process, resulting in cost savings and administrative efficiency, and;

WHEREAS, staff recommend approval of the contract proposal with SealMaster to proceed with the purchase of a new crack seal machine.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MONUMENT, COLORADO THAT:

The Town Council hereby approves a proposal to SealMaster to purchase a new crack seal machine. The total amount of this proposal is not to exceed **\$56,538.00** which will be funded by the Streets Capital Projects-Vehicle/Equipment fund.

PASSED AND RESOLVED by the Town Council of the Town of Monument, El Paso County, Colorado, this 15th day of June 2026 by a vote of ___ for and ___ against.

TOWN OF MONUMENT

Mitch LaKind, Mayor

ATTEST:

Tina Erickson, Town Clerk



Equipment -CP125 HH

Quote created: April 29, 2026 Reference: 20260429-134540406

Town Of Monument, CO

506 North Jefferson st
Monument , CO 80132
United States

Rob Enoch

renoch@tomgov.org
719-481-2436

Comments

Price includes: Shipping to Denver SealMaster, Tutorial with crew on how to operate at time of pickup. Follow up tutorial a couple weeks later(Refresher course, usually like to do this on an actual job site.)

Sourcewell Pricing Used.

Clayton Bohr - SealMaster Colorado



Products & Services

CRACK PRO TR 125 D, HH

1 x \$62,820.00

SM CRACKPRO TR125 D, HEATED HO

after 10% discount **\$56,538.00**

One-time subtotal \$56,538.00

after \$6,282.00 discount

Total \$56,538.00

Signature

Signature

Date

Printed name

This quote expires on July 31, 2026

Purchase terms

50% down at time of order, Total not to exceed \$56,538.00

Questions? Contact me



Clayton Bohr

clayton@sealmasterdenver.com

+13038804347

SealMaster Colorado

4851 Forest St
Denver, CO 80022
United States

CRACK PRO® HEATED HOSE MACHINES

OIL-JACKETED MELTER/APPLICATORS FOR HOT POUR CRACK SEALING MATERIALS

ALL DIESEL POWER FOR MAXIMUM EFFICIENCY!

Both the burner and the engine are powered by diesel fuel for maximum safety, efficiency, and performance.

Crack Pro Heated Hose Machine Features:

- State-of-the-art heated hose maintains material temperature throughout the application process and includes a light-weight aluminum wand with a crack sealing square for ease of application
- Industry's fastest heat-up and recovery, (ready to apply product within 1 hour).
- The waterproof steel control cabinet houses all safety interlocks, operations and monitoring of the heating systems (hose, material, heat transfer oil), agitation, pump and audible horn for directional control.
- Anti-splash material loading hatch for safer loading
- Insulated with 1.5" ceramic, covered by a 14-gauge steel outer body
- Electro-hydraulic manifold with flow control for pump and mixer speeds
- Liquid cooled Kubota diesel engine
- Diesel fired Beckett Burners are electronically controlled with auto shut off, and side mounted for easy maintenance
- Horn button on wand notifies driver to move ahead or back
- Direct-drive FWD/REV full-sweep agitation

TR 125 & 260 DA Model Features:

- Direct drive air compressor with 100' x 5/8" reeled hose & wand
- V1505 Kubota diesel engine (brand subject to change)

PRODUCT #	DESCRIPTION	WEIGHT	MSRP
E2745HH	TR 125 D	3,700 lbs.	\$62,820.00
E2747HH	TR 125 DA	4,000 lbs.	\$81,610.00
E2755HH	TR 260 D	5,000 lbs.	\$72,525.00
E2765HH	TR 260 DA	5,300 lbs.	\$91,430.00
E2770HH	TR 400 D	5,880 lbs.	\$76,525.00
E2780HH	TR 400 DA	6,180 lbs.	\$95,430.00
E2755DPH	TR 260 Double Pump	5,300 lbs.	\$90,285.00
E2770DPH	TR 400 Double Pump	6,180 lbs.	\$94,460.00
P74001	Upgrade to a 23' hose		\$900.00

Available Options on Page 69

Components subject to change



TR 260 Double Pump now available!

SPECIFICATIONS:

Tank Capacity.....125, 260, 400 gallons
 Heat Transfer Oil..... 25, 30, 45 gallon capacity
 Maximum BTU Input 372,000 BTU
 Construction Oil jacket type tank
 Temperature Control.....Automatic electronic
 Tank Opening.....16" x 24" no splash material loading
 Insulation.....1 1/2" high temperature ceramic
 Agitation.....Full-sweep, hydraulically driven, forward / reverse
 Material Pump..... 2" steel gear, reversible
 Heating System..... Bottom fired forced air diesel fuel
 Suspension..... Torsion type axle with 6 lug tubeless tire
 Application Hose 3/4" x 19" electric hose (23' available)
 Heated Hose Eliminates need to flush out hose for cleanup

	CP 125	CP 260	CP 400
Loading Height	54"	48"	63"
Overall Height	80"	90"	103"
Width	78"	93"	94"
Length	192"	206"	206"
Empty Weight	3,700 lbs.	5,000 lbs.	6,180 lbs.
Empty Weight with conveyor	4,200 lbs.	5,500 lbs.	-
Height with conveyor	8' 6"	8' 6"	-

STANDARD FEATURES ON ALL "D" AND "DA" MODELS:



Digital Control Center with Protective Steel Cover



Anti-Splash Material Loading Hatch



Electro-Hydraulic Manifold



Liquid Cooled Kubota Diesel Engine



Horn Button on Wand



Diesel Fired Beckett Burner



Direct-Drive FWD/REV Full Sweep Agitation

STANDARD FEATURES ON ALL "DA" MODELS:



Direct Drive Air Compressor



100' x 5/8" Reeled Hose & Wand



V1505 Kubota Diesel Engine

CP-125 HEATED HOSE MACHINE

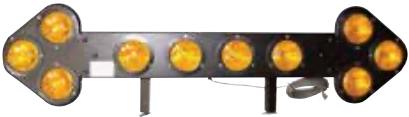


CP-260 HEATED HOSE MACHINE



Ergonomic counter balanced hose boom

CRACK PRO® MELTER / APPLICATOR OPTIONS



Arrowboard

State-of-the-art material conveyor for optimum safety and convenience



PROD #	DESCRIPTION	MSRP
<i>Options:</i>		
PE2710	Material Block Conveyor	\$17,415.00
E2680	Hydraulic surge brake assembly	\$1,779.90
P553A008	2 5/16" ball hitch	\$189.00
PE2680	Arrowboard	\$2,784.99
P447C001	Fire extinguisher - 20 lbs. with accessories	\$628.75
P74000B231	Engine Security Cover- Crack Pro HH Non-Air Models	\$1,533.00
P74000D231	Engine Security Cover - Crack Pro HH Air Models	\$1,763.00
P74000B004	Tool box	\$275.00
P74002	LP tank stand	\$1,090.00
P74000B301	Spare Tire Mount	\$391.00
P514A017	15" Spare Tire Assembly	\$286.75
P470A003	2" application swivel disc	\$203.00
P470A002	3" application swivel disc	\$228.00
P470A007	5" application swivel disc	\$356.00
PE2685	Strobe / Beacon Light	\$750.00
P50347	Overnight Heater Kit - Single	\$2,865.00
P50348	Overnight Heater Kit - Double	\$4,095.00

CRACK PRO[®] MASTIC MACHINE

300-GALLON CAPACITY

ENGINEERED FOR EFFICIENCY & SAFETY

Crack Pro Mastic Machine Features:

- **Diesel** engine and heating system. No propane required.*
- **Oil-jacketed kettle with fast heat-up time** [Approximately 2.5 hours from a cold start].
- **Plow-point agitation** for faster heat-up, with forced material discharge.
- Agitation system provides **unmatched power / torque with safety interlocks** to protect the operator and prevent damage to the machine.
- Hydraulic system is **highly efficient and designed to run cool** [lowering maintenance costs], providing power to the torque-mounted, planetary agitation drive system.
- The waterproof steel control cabinet houses the **Crack Pro brand's proven control system.**
 - Burner temperature controllers with improved material temperature accuracy
 - Safety interlocks
 - Forward / reverse agitation switch
 - Work and strobe lights
- Heavy duty, 6-inch adjustable knife discharge valve to cut through the mastic aggregate.
- Heated **discharge chute stays hot without propane or hot oil** and will not catch on fire when idle. The chute is easily removed for use with wheeled and hand-held applicators.
- **Pail-warmer** melts material from metal pails used in application.
- **Large tool heater box** utilizes a diesel-fired burner with automatic shutoff to prevent overheating tools and wasting fuel.
- Adjustable pintle eye to match hitch height, tandem axle, for good, stable towing and operation. Complete with **battery powered break-away and LED light packages.**
- **Low-cost operation** with highly efficient heating and low-horsepower requirements.
 - The 30-gallon fuel tank allows **15 to 25 hours of operation between fill-ups.**
- **Overnight heaters** allow for quicker application the next day.
- **Maintenance is a breeze** with a 600-degree-rated bearing on the rear and a packing gland with internal grease ports for direct lubrication into the gland on the front. This machine was built with maintenance in mind and easy access to all components that require periodic service. [Burners, packing glands, grease Zerks, engine, and drive system].

*A propane torch is available to assist in heating and cleaning application equipment, and to supplement heating the chute and valve during cold weather application.



SPECIFICATIONS:

Tank Capacity	300 gallon
Heat Transfer Oil	42 gallons
Max. BTU Input	372,000
Construction	Oil Jacket
Temp. Control	Digital
Tank Opening Material	16" x 24"
Tank Opening Pail Heat	16" x 16" x 16"
Insulation	1.5"
Agitation Forward Reverse	Plow-point forced discharge
Heating System	Diesel burner
Power Unit Diesel	Kubota D 602
Tandem Axle Suspension	6,000 lb. axles
Loading Height	60"
Overall Height with Light Kit	108"
Width	82"
Length	212"

PROD #	DESCRIPTION	WEIGHT	MSRP
E2776	300-Gallon Mastic Machine	5,860 lbs.	\$75,325.00
Optional Tools			
PE2680	Arrowboard		\$2,784.99
P92000C433_10	10" Drag Box		\$573.75
P92000C433_12	12" Drag Box		\$582.00
P92000C433_18	18" Drag Box		\$611.50
P92000C433_24	24" Drag Box		\$639.75
E2860	Wheeled Applicator		\$2,375.99
P50700	Hydraulic Hitch-Tilt System		\$2,473.99

Components subject to change

STANDARD FEATURES:



Diesel Tool Box Heater



Heated Adjustable Locking Chute



Control Box



Tool Rack



Internally Lubricated Packing Gland with Drip Catch Pan

300 GALLON CRACK PRO MASTIC MACHINE



CRACKMASTER MASTIC

The ideal product for large cracks, bridge joints, plug joints, manhole cover areas, utility joints and more.

SEE PAGE 22

OPTIONAL TOOLS

Flat Iron, V-Shape Iron, Box Irons, and more.

SEE PAGE 88



Machine comes standard with a Chute Extension that adds approximately 12" to the chute, allowing material to be dispensed approximately 48" from the discharge valve.



Full Light Kit with Work Area Lighting, Strobe Light, and optional Arrowboard



Pail Heater

TOOLS INCLUDED IN TOOL RACK:

T1604	1/4" x 4" x 18" Flat Irons (2 included)
T1606	1/4" x 3" x 15" x 8" Box Iron
T1607	Chute Cleaner
T1614	Scraper/Plug Remover
T1619	6"x8" Box Iron
T1690	Metal Pail

CRYSTAL LATIER, EXECUTIVE DIRECTOR

ECONOMIC DEVELOPMENT DEPARTMENT

May 27, 2026

Mitch LaKind – Town of Monument
645 Beacon Lite Rd
Monument, CO 80132

Dear Mayor LaKind,

On May 15, 2026, the U.S. Department of Housing and Urban Development (HUD) issued Notice CPD-26-08, denoting that El Paso County may re-qualify for designation as an Urban County (notification from HUD is attached).

El Paso County intends to seek redesignation and, if successful, will be eligible to receive an allocation of Community Development Block Grant (CDBG) funds for federal fiscal years 2027-2029. The goal of the CDBG program is to provide funds for decent housing and suitable living environments, along with the expansion of economic opportunities, principally for low- and moderate-income persons.

As an incorporated local government with an automatically renewing Intergovernmental Agreement (IGA) in effect, the Town of Monument would remain eligible to apply to El Paso County for CDBG funding for eligible projects and activities within the Town of Monument jurisdiction as part of the Urban County program. Additionally, should El Paso County receive an allocation of HOME or Emergency Solutions Grant (ESG) funding, incorporated communities participating in the Urban County CDBG program would automatically be included in the County's HOME and ESG consortiums and would likewise be eligible to apply for those funds for eligible activities within their jurisdiction. As a participating member of the Urban County, the local government would not separately apply directly to the State of Colorado for CDBG funding or participate in other HOME or ESG consortiums.

However, the Town of Monument has the right to be excluded from inclusion in the Urban County and terminate their renewing IGA with El Paso County. An election to be excluded is effective for the entire three-year period (2027-2029) unless the Town of Monument specifically elects to be included in a subsequent year.

Authorization of Amendment 3

Although the IGA itself is auto-renewing, El Paso County typically sends participating jurisdictions a notification letter requesting confirmation of their desire to continue to be included in the Urban County. However, based on HUD's feedback from our previous requalification cycle and updated guidance in Notice CPD-26-08, we will be adding two paragraphs to our IGA which require an Amendment, as previously requested by HUD and as outlined in the aforementioned notice. As a result of this addition to our IGA, we are requesting your jurisdiction's official authorization and execution of Amendment 3 in addition to confirming your intent to participate in the Urban County for FY2027-2029.

Required Action

We welcome the opportunity to discuss this further with the Town of Monument. HUD requires that the Town of Monument notify El Paso County and HUD in writing of its intent to be included or excluded from the Urban County by **June 24, 2026**. We respectfully request one of the following actions:

Option 1 – Opt out of participating in the Urban County by terminating or not renewing your IGA:

- **Intent to be Excluded:** If you no longer wish to participate in the Urban County for FY2027-2029, please copy the attached Exclusion Letter onto official letterhead, sign, and return it to our office denoting your intent to be excluded from the Urban County, by **June 24, 2026**. Please electronically submit your letter to natashanorth@elpasoco.com.

Option 2 – Continue participating in the Urban County by confirming your intent and renewing your IGA:

- **Intent to be Included:** If you wish to continue participation in the Urban County for FY2027-2029, please copy the attached Inclusion Letter onto official letterhead, sign, and return it to our office denoting your intent to be included in the Urban County, by **June 24, 2026**. Please electronically submit your letter to natashanorth@elpasoco.com.
- **IGA Amendment 3 Authorization:** In addition to the Inclusion Letter, also please print the attached Amendment 3 signature packet, fully execute your signature page, and return the full packet denoting your intent to be included in the Urban County, by **June 24, 2026**. Please electronically submit your authorized packet to natashanorth@elpasoco.com.

Attached, please find:

1. HUD Correspondence September 19, 2023
2. Notice CPD-26-08
3. Notice CPD-25-04 Attachment – Urban County Status Before Changes
4. Intergovernmental Agreement & Amendments 1-2
5. Monument Exclusion Letter
6. Monument Inclusion Letter
7. Monument Amendment 3 Signature Packet

Feel free to contact me with questions.

Respectfully,



Natasha North
Project Manager
719.520.6448

natashanorth@elpasoco.com

CC: HUD – CPD Denver Regional Office

Economic Development Department

Crystal LaTier, Executive Director
719-520-6484
Economic Development Department
Nine East Vermijo Avenue
Colorado Springs, CO 80903
www.ElPasoCo.com

Board of County Commissioners
Holly Williams, District 1
Carrie Geitner, District 2
Stan VanderWerf, District 3
Longinos Gonzalez, Jr., District 4
Cami Bremer, District 5

September 19, 2023

U.S. Department of Housing and Urban Development
Attention: Jennifer Schumann
1670 Broadway, 24th Floor
Denver, CO 80202

Ms. Schumann,

We greatly appreciate the ongoing relationship with HUD Region VIII and the continued support of El Paso County's CDBG Urban County Qualification. We understand that El Paso County's qualification for FY2024-2026 is approved; however, there was a technical deficiency noted in the cooperation agreement. Specifically, this deficiency relates to Section 4(c) of El Paso County's cooperation agreement concerning Section V.H. of HUD's notice. Our understanding is that although this technical deficiency was noted, the approval of El Paso County's qualification for FY24-26 will remain but that El Paso County must send notice confirming it will correct this for the next cycle.

To that end, El Paso County is committed to correcting this deficiency for the next qualification cycle and will work with its partnering municipalities to appropriately amend the cooperation agreement to comply with Section V.H. At this time, we propose to amend Section 4(c) of El Paso County's cooperation agreement to be identical, or substantially similar, to the language provided for below. With that being said, we recognize that by the time the next cycle arises, there could be additional edits from HUD related to Section V.H. and El Paso County will confirm the appropriate language at that time. If HUD has any additional concerns or suggestions regarding the County's proposed revision, we welcome that guidance as well.

Proposed Revision to Section 4(c):

- c. The County and Municipalities agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities. As required by HUD, Municipalities and the County agree to affirmatively further fair housing within their own jurisdictions. The County may not provide any CDBG funding for activities in or in support of the Municipalities if the Municipalities do not affirmatively further fair housing within their own jurisdiction or if the Municipalities impede the County's actions to comply with the County's fair housing certification. This provision is required because non-compliance by the Municipalities included in an urban county may constitute non-compliance by the urban county, which may provide cause for funding sanctions or other remedial action by HUD.

Additionally, the County and Municipalities shall take all actions necessary to assure compliance with the urban county's certification under section 104(b) of Title I of the Housing and Community Development Act of 1974, that the grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100, and will affirmatively further fair housing. The County and Municipalities agree to comply with any and all other applicable laws and shall sign the assurances and certifications in HUD 424-B.

End of Proposed Revision

Sincerely,



Natasha North – Project Manager
719-520-6448
Natashanorth@elpasoco.com

May 27, 2026

Natasha North
Project Manager
El Paso County Economic Development
9 E. Vermijo Ave
Colorado Springs, CO 80903

Dear Ms. North:

*RE: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (EL PASO COUNTY URBAN COUNTY)
FOR FISCAL YEARS 2027-2029*

Continued Participation in Urban County Being Sought

Thank you for your recent letter informing the Town of Monument that El Paso County intends to seek re-designation as an Urban County for receipt of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development for federal fiscal years 2027-2029. This letter serves as notice that the Town of Monument elects to continue their renewing intergovernmental agreement and participate with El Paso County in the CDBG program.

Sincerely,

Mitch LaKind
Mayor
Town of Monument

CC: HUD – CPD Denver Regional Office

May 27, 2026

Natasha North
Project Manager
El Paso County Economic Development
9 E. Vermijo Ave
Colorado Springs, CO 80903

Dear Ms. North:

*RE: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (EL PASO COUNTY URBAN COUNTY)
FOR FISCAL YEARS 2027-2029*

Exclusion from Urban County Being Sought

Thank you for your recent letter informing the Town of Monument that El Paso County intends to seek re-designation as an Urban County for receipt of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development for federal fiscal years 2027-2029. This letter serves as notice that the Town of Monument elects to terminate their renewing intergovernmental agreement and not participate with El Paso County in the CDBG program.

Sincerely,

Mitch LaKind
Mayor
Town of Monument

CC: HUD – CPD Denver Regional Office

TOWN OF MONUMENT

RESOLUTION NO. 43-2026

**A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT
BETWEEN THE TOWN OF MONUMENT AND THE EL PASO COUNTY
DEPARTMENT OF ECONOMIC DEVELOPMENT ALLOWING FOR THE USE OF
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR THE FEDERAL
FISCAL YEARS OF 2027-2029.**

WHEREAS, the Town of Monument (“Town”) is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Town’s Home Rule Charter approved by the electors on November 8, 2022 (“Charter”); and

WHEREAS, the Town Council has identified the need to ensure long-term financial health and sustainability as a strategic priority for 2026–2028, including supporting prudent financial planning, long-range forecasting, and responsible investment in order to maintain efficient, resilient, and high-quality municipal services for the benefit of the Monument community; and

WHEREAS, El Paso County is designated as an urban County and is eligible to receive an allocation of Community Development Block Grant (CDBG) and HOME or ESG consortiums funds for federal fiscal years 2021-2023; and

WHEREAS, as result of participation in the Urban County, the Town of Monument will be exempt from applying for CDBG funding from the State of Colorado or participating in other HOME or ESG consortiums; and

WHEREAS, the Town Council finds that entering into this Agreement will serve to provide benefit to and advance the public interest and welfare of the Town and its citizens; and

WHEREAS, The Town of Monument is an incorporated local government that under the IGA may use CDBG, HOME, and ESG funds.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MONUMENT, COLORADO THAT:

Section 1. The Town Council hereby approves an Intergovernmental Agreement between the Town of Monument and the El Paso County Department of Economic Development.

PASSED AND RESOLVED by the Town Council of the Town of Monument, El Paso County, Colorado, this 15th day of June, 2026 by a vote of for and against.

TOWN OF MONUMENT

Mitch LaKind, Mayor

ATTEST:

Tina Erickson, Town Clerk

INTERGOVERNMENTAL AGREEMENT

Between

EL PASO COUNTY

and the

**CITY OF FOUNTAIN AND THE TOWNS OF CALHAN, GREEN MOUNTAIN FALLS,
PALMER LAKE AND RAMAH**

COMMUNITY DEVELOPMENT BLOCK GRANT ENTITLEMENT PROGRAM
(Federal Fiscal Years 2009 through 2011)

THIS INTERGOVERNMENTAL AGREEMENT, dated for reference purposes only this 3rd day of July, 2008, is between El Paso County by and through the Board of County Commissioners of the County of El Paso (the "County"), a body politic and corporate of the State of Colorado, and the City of Fountain and the Towns of Calhan, Ramah, Green Mountain Falls and Palmer Lake (the "Municipalities"), municipal corporations of the State of Colorado located in El Paso County. The County and the Municipalities may be collectively referred to herein as the Parties.

RECITALS

- A. Pursuant to The Housing and Community Development Act of 1974, as amended, 42 U.S.C. 5301 et seq., (the "Act"), the U.S. Department of Housing and Urban Development ("HUD") administers a wide range of local housing and community development activities and programs under Title I of the Act.
- B. The primary objective of Title I of the Act is the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate income. To further this objective, the Federal government provides Community Development Block Grant ("CDBG") Entitlement funds to local governments to conduct and administer housing and community development activities and projects (the "CDBG Programs"). The CDBG Programs are governed by regulations contained in 24 C.F. R. Part 570 (the "Regulations").

C. To become entitled on an annual basis to receive CDBG funds, a county must qualify as an “urban county.” A determination has been made by HUD that the County qualifies as an urban county and may therefore be eligible to receive CDBG funds from HUD by annual grant agreement.

D. Municipalities and other units of local governments may be included as part of the urban county by entering into cooperation agreements. Pursuant to C.R.S. 29-1-201, et seq., the Municipalities and the County may enter into agreements for joint or cooperative action and may contract with each other to perform any governmental service, activity or undertaking that each is authorized by law to perform. A Municipality that has entered into an intergovernmental agreement with the County shall be considered to be a “Participating Jurisdiction” and shall be eligible to participate in the County’s CDBG Programs for the County’s qualification period.

E. The qualification by HUD of an urban county remains effective for the next three successive federal fiscal years 2009-2011 (the “Program Years”) regardless of changes in the County’s population during that period, unless the County fails to receive a CDBG during any year of that period.

F. This Agreement sets forth fully the purposes, powers, rights, obligations, and the financial and other responsibilities of the Parties.

G. Accordingly, the Parties have determined that it will be mutually beneficial and in the public interest of the parties to enter into this Agreement regarding the conduct of the CDBG Programs.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and cooperative actions contemplated hereunder, the Parties agree as follows:

1. **Inclusion of Municipalities.** The Municipalities shall be included as a part of the County for CDBG qualification and grant calculation purposes for the Program Years. The Parties recognize their mutual benefit to seeking entitlement status so that there may be local control over CDBG funds and so that the Parties may receive the benefits of yearly allocations of CDBG funds. The Municipalities understand that because they have elected to pursue entitlement status jointly with the County, HUD restricts the Municipalities during the Programs Years from applying for grants under the small cities or

State CDBG program and from participating in a HOME consortium with other local governments, except through the County, regardless of whether the County receives a HOME formula allocation.

2. **Period of Performance.** This Agreement shall remain in effect through the Program Years and such additional time as may be required for the expenditure of CDBG funds granted and program income received during the Program Years and for the completion of the funded activities (the “Period of Performance”). Neither the County nor the Municipalities may terminate, withdraw, or be removed from their participation in this Agreement or in the CDBG Programs during the Period of Performance.

3. **Renewals.** This Agreement will renew automatically in successive three-year (3-year) qualification periods, unless the Municipalities or the County provide written notice to the other party that it elects not to participate in a new qualification period. The terminating party shall send a copy of the notice of termination to the HUD field office. By the date specified in HUD’s urban county qualification notice for the next qualification period, the County will notify the Municipalities in writing of the Municipalities’ rights not to participate in that qualification period. A copy of the County’s notification to the Municipalities must be sent to the HUD field office by the date specified in the urban county qualification notice. Failure by either party to adopt an amendment to this Agreement incorporating all changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for any subsequent three-year urban county qualification period and to submit the amendment to HUD as provided in the urban county qualification notice will void the automatic renewal of such qualification period and of this Agreement. If this Agreement is renewed, the subsequent three-year (3-year) period will constitute new Program Years.

4. **Mutual Cooperation.** The Municipalities and the County agree to cooperate as follows:

a. To plan and prepare the CDBG Programs, the Comprehensive Housing Affordability Strategy and Community Development Plan (the “Consolidated Plan”), and detailed descriptions of CDBG Programs to be conducted or performed during each of the Program Years. The finalized activities and projects will be included in the Consolidated Plan and in the requests for CDBG funds for the Program Years. The Parties acknowledge, however, the County has the responsibility, as mandated

by HUD, to select the CDBG Programs to be included in the grant request and to submit that request. The Parties recognize that HUD requires the County to execute all grant agreements and holds the County legally liable and responsible for the overall administration and performance of the CDBG Programs. The Parties further acknowledge that the County has greater resources to implement and administer the selected CDBG Programs for which CDBG funds have been provided. Accordingly, the Parties agree that the County shall have the administrative and operational responsibility and authority necessary to meet the requirements of HUD for those selected CDBG Programs to be performed or conducted by the County within the jurisdiction and corporate limits of the Municipalities. The County will also have full administrative responsibility for all programs that may be performed or conducted by the Municipalities. As further required by HUD and only to the extent required by HUD, the Municipalities and the County agree to “cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities,” as approved and authorized between the parties in the CDBG agreements, including the Consolidated Plan.

b. As required by HUD, pursuant to 24 C.F.R. § 570.501 (b) and § 507.503, Municipalities may enter into separate CDBG agreements (the “CDBG Agreements”) with the County for the actual conduct of the CDBG Programs within their respective jurisdictions, as approved and authorized by the Board of County Commissioners and the Consolidated Plan. Where a Municipality carries out an eligible activity funded by the urban county, the CDBG Agreement will subject the Municipality to the same minimum requirements found at 24CFR 570.503 as are applicable to subrecipients. As required by HUD, the Parties agree to include standards relating to the management and disposition of assets and real property acquired through the CDBG Programs, in accordance with 24 C.F.R.570.

c. As required by HUD, Municipalities agree to affirmatively further fair housing within their own jurisdictions. The County may not provide any CDBG funding for activities in or in support of the Municipalities if the Municipalities do not affirmatively further fair housing within their own jurisdiction or if the Municipalities impede the County’s actions to comply with the County’s fair housing certification. This provision is required because non-compliance by the Municipalities included in an

urban county may constitute non-compliance by the urban county, which may provide cause for funding sanctions or other remedial action by HUD.

5. Distribution of Funds.

a. Administrative Allocation. The County may retain no more than twenty percent (20%) of the total CDBG funds allocated to the County for purposes of general oversight, management, coordination, and related costs (“Administrative Allocation”).

b. Program Allocation. The funds remaining after the Administrative Allocation is subtracted from the total CDBG funds shall be allocated to the various CDBG Programs and projects approved within the Participating Jurisdictions and the County based, in part, upon the representative percentage of low/moderate income populations in the Participating Jurisdictions or the County, as established for the Urban County by HUD (“Jurisdiction Allocation”). The project application and approval process set forth in Paragraph 6 below shall be followed.

6. Project Application and Approval Process

a. Project applications from the County, the Municipalities and other eligible applicants will be reviewed by the Community Development Advisory Board (CD Advisory Board) using evaluation criteria set forth in the applicable Consolidated Plan and the goals of the Board of County Commissioners. Higher priority shall be given to eligible proposals submitted by the County and the Municipalities so long as proposals are consistent with the applicable Consolidated Plan.

b. The decision for determining which projects receive CDBG funds is the responsibility of the El Paso County Board of County Commissioners.

7. Advisory Board. In furtherance of the cooperative process of developing the CDBG Programs, and in order to ensure coordination while respecting the role of the Municipalities, El Paso County will establish a Community Development (CD) Advisory Board.

a. Membership. The CD Advisory Board shall be appointed by the El Paso County Board of County Commissioners and shall include at least one member from each Participating Jurisdiction.

The Participating Jurisdictions shall advise the Board of County Commissioners of its nominee for the Advisory Board.

b. Duties. The CD Advisory Board shall recommend the allocation of funds among the proposed CDBG Programs and projects. Although HUD requires the County to maintain legal liability and responsibility for the overall administration and performance of the CDBG Programs, the County will give strong consideration to the recommendations of the CD Advisory Board.

8. Mutual Agreements. The Parties agree as follows:

a. Books and Records. To maintain a complete set of books and records that account for the CDBG funds and the supervision and administration of the CDBG Programs. The Parties agree that they will provide access to these books and records to each other and to HUD, as necessary or requested, to confirm compliance with Federal laws and regulations.

b. Compliance with Laws. To take all actions necessary to comply with the following laws and to assure compliance with County certifications required by:

i. Federal Laws and Regulations. The Housing and Community Development Act of 1974, as amended; Title VI of the Civil Rights Act of 1964; sections 104(b) and 109 of Title I of the Housing and Community Development Act of 1974; the Fair Housing Act, 42 U.S.C. 5301, et seq., 24 C.F. R. Part 570, and especially 24 C.F. R. 570.501(b) applicable to subrecipients and 24 C.F. R. 570.503 applicable to the minimum standards for a written agreement prior to disbursing any CDBG funds; 24 C.F. R. Part 570, et seq., relating to requirements governing any income generated from CDBG funds, (“Program Income”); all rules, regulations, guidelines, circulars, and other requirements promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG.

ii. State and Local Law Compliance. The responsibilities of the Parties shall be subject to applicable state laws, city and county ordinances, resolutions, rules and regulations, and city charter provisions.

iii. Nonviolent Civil Rights Policies. Pursuant to 42 U.S.C. 5304(b)(2), the County and the Municipalities each have adopted and are enforcing, and, if requested, will provide copies to each other of the following policies:

(a) Prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations, and

(b) Enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of nonviolent civil rights demonstrations within its jurisdiction.

c. Expenditure of Funds. All CDBG funds that are approved by HUD for expenditure under the grant agreements will be budgeted and allocated (i) to the County, no more than twenty percent (20%) of the total CDBG funds allocated to the County for administrative, general oversight, management, coordination, and related costs, as allowed by HUD, and (ii) to the specific CDBG Programs described in the Consolidated Plan, which shall be expended only for the CDBG Programs for which the funds are provided.

d. Lobbying Requirement. To the best of the knowledge and belief of each of the Municipalities and County:

i. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

ii. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, each party agrees that it will complete

and submit a Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

iii. Each party agrees that it will require the language of this paragraph be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

9. **Amendments.** This Agreement constitutes the entire agreement of the parties. Any changes and modifications to this Agreement shall be made in writing and shall be executed by both parties prior to the performance of any work or activity involved in the change and be approved by HUD

10. **Miscellaneous Provisions.**

a. **Choice of Law.** This Agreement and the rights and duties of the parties shall be interpreted in accordance with the laws of the State of Colorado applicable to contracts made and to be performed entirely within the state.

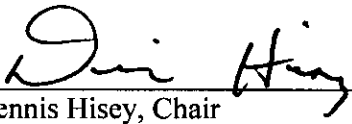
b. **Venue.** Venue for any and all legal actions arising hereunder shall lie in the District Court in and for the County of El Paso, State of Colorado.

c. **Officials Not to Benefit.** No member of the Municipalities or County government, commissioners or individual elected officers shall receive any share or part of this Agreement or any benefit that may arise therefrom.

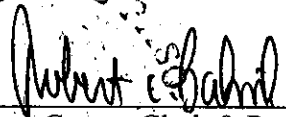
d. **Third Party Beneficiary.** The enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Municipalities and County, and nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other or third person.

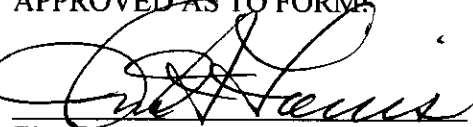
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly authorized and executed.

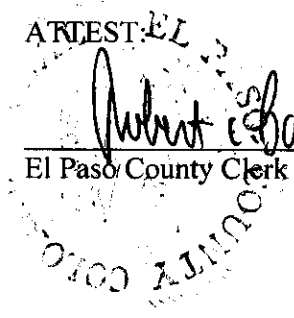
**BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO**

By: 
Dennis Hisey, Chair

Date: June 30, 2008

ATTEST: 
El Paso County Clerk & Recorder

APPROVED AS TO FORM: 
El Paso County Attorney's Office



CITY OF FOUNTAIN

By: Jeri C. Howells

Date: 6-24-08

Name: Jeri C. Howells

Title: MAYOR

ATTEST:

Sharon S. Masley
City Clerk



TOWN OF CALHAN

By: Blair Bartling

Date: 6-24-08

Name: Blair Bartling

Title: Mayor

ATTEST:

Cindy Tompkins
Town Clerk

TOWN OF RAMAH

By: Turner Smith

Date: 6-27-08

Name: TURNER SMITH

Title: MAYOR

ATTEST:

Cindy Tompkins
Town Clerk

TOWN OF GREEN MOUNTAIN FALLS

By: Tyler S.C. Stevens

Date: July 1, 2008

Name: TYLER S.C. STEVENS

Title: MAYOR

ATTEST:

Chris Franklin
Town Clerk

TOWN OF PALMER LAKE

By: [Signature]

Date: July 3, 2008

Name: John E. Cressman II

Title: Mayor

ATTEST:

[Signature]
Town Clerk

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT DATED
JUNE 30, 2008**

This First Amendment to the Intergovernmental Agreement between El Paso County, the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah dated June 30, 2008 (the "First Amendment") is made this 7th day of July, 2011, by and between El Paso County by and through the Board of County Commissioners of the County of El Paso, 27 East Vermijo Street, 5th Floor, Colorado Springs, CO 80903, and the Cities of Manitou Springs and Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah.

WHEREAS, the required approval, clearance and coordination have been accomplished from and with the appropriate agencies; and

WHEREAS, the County and the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah have previously entered into an automatically renewing Intergovernmental Agreement dated June 30, 2008, attached hereto as Exhibit A, referred to herein as the "Contract"; and

WHEREAS, the City of Manitou Springs wishes to enter into the Contract as an additional party, to be included within that collective entity referred to in the Contract as the "Municipalities"; and


WHEREAS, the parties hereto now deem it necessary and desirable to further amend the Contract in order to reflect certain changes.

NOW, THEREFORE, it is hereby agreed that:

1. The City of Manitou Springs will be added as a party to the Contract and will be included within that collective entity referred to in the Contract as the "Municipalities" and thereby agrees to accept all obligations and abide by all requirements of the Contract.
2. All other terms of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment the day and year first above written.

BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

 Amy Lathen
Amy Lathen, Chair

ATTEST:
OTOB
El Paso County Clerk & Recorder

DATE: 7-7-11

APPROVED AS TO FORM:
M. Cole Brannon
El Paso County Attorney's Office

CITY OF FOUNTAIN

BY: _____

DATE: June 28, 2011

NAME: *John R. Clatys*

TITLE: *Mayor Pro Tem*

ATTEST:

Silvia Mascarenes
City Clerk

CITY OF MANITOU SPRINGS

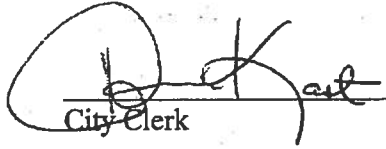
BY: 

DATE: June 28, 2011

NAME: Jack Benson

TITLE: City Administrator

ATTEST:


City Clerk

TOWN OF CALHAN

BY: Blair Bartling

DATE: 6-13-11

NAME: Blair Bartling

TITLE: Mayor

ATTEST:

Cindy M Templeton
Town Clerk

~~TOWN OF GREEN MOUNTAIN FALLS~~

BY: _____

DATE: June 20, 2011

NAME: Tyler S. C. Stevens

TITLE: Mayor

ATTEST:

Chris Gordon
Town Clerk

TOWN OF PALMER LAKE

BY: [Signature]

DATE: 6-23-11

NAME: John Cressman, Jr

TITLE: Mayor

ATTEST:

[Signature]
Town Clerk

TOWN OF RAMAH

BY: Turner Smith

DATE: 6-23-11

NAME: TURNER SMITH

TITLE: MAYOR

ATTEST:

Cindy M Tompkins
Town Clerk

**AMENDED SECOND AMENDMENT TO INTERGOVERNMENTAL
AGREEMENT DATED JUNE 30, 2008 FOR THE CDBG PROGRAM**

This Second Amendment to the Intergovernmental Agreement between El Paso County, the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah dated June 30, 2008 (the "Second Amendment") is made this 10th day of September, 2014, by and between El Paso County by and through the Board of County Commissioners of the County of El Paso, 200 S. Cascade, Colorado Springs, CO 80903, and the Cities of Manitou Springs and Fountain and the Towns of Calhan, Green Mountain Falls, Monument, Palmer Lake and Ramah.

WHEREAS, the required approval, clearance and coordination have been accomplished from and with the appropriate agencies; and

WHEREAS, the County and the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah have previously entered into an automatically renewing Intergovernmental Agreement dated June 30, 2008, attached hereto as Exhibit A, referred to herein as the "Contract", which was joined by the City of Manitou Springs on July, 7 2011 via a First Amendment To the Contract; and

WHEREAS, the Town of Monument wishes to enter into the Contract as an additional party; and

WHEREAS, HUD has new requirements for cooperation agreements and the Parties desire to amend the IGA to meet said requirements; and

WHEREAS, the parties hereto now deem it necessary and desirable to further amend the Contract in order to reflect certain changes.

NOW, THEREFORE, it is hereby agreed that:

1. The Town of Monument will be added as a party to the Contract and will be included within that collective entity referred to in the Contract as the "Municipalities" and thereby agrees to accept all obligations and abide by all requirements of the Contract.
2. Section 4(c) of the IGA be amended and fully replaced with the following provision:

As required by HUD, Municipalities agree to affirmatively further fair housing within their own jurisdictions. The County may not provide any CDBG funding for activities in or in support of the Municipalities if the Municipalities do not affirmatively further fair housing within their own jurisdiction, or if the Municipalities impede the County's actions to comply with the County's fair housing certification. The Parties will take all actions necessary to assure compliance with the County's certification under section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act. The Parties will also comply

with section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. The parties further agree to comply with all other applicable local, state, and federal laws. This provision is required because non-compliance by the Municipalities included in an urban county may constitute non-compliance by the urban county, which may provide for cause for funding sanctions or other remedial actions by HUD.

3. Add Section 4(d) to the IGA which shall state as follows:

The Parties may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the Act. This requirement is contained in the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76.

4. All other terms of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this amended Second Amendment the day and year first above written.

BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

BY: 
Dennis Hise, Chair

DATE: 09.16.2014

ATTEST:


APPROVED AS TO FORM:



El Paso County Clerk & Recorder 14.011

El Paso County Attorney's Office

CITY OF FOUNTAIN

BY: Scott Quinn

DATE: 8/26/2014

NAME: Scott Trainer

TITLE: City Manager

ATTEST:

Selma Mascarin
City Clerk
SEAL
COUNTY
COLORADO

CITY OF MANITOU SPRINGS

BY: Marc A. Snyder

DATE: 8-19-2014

NAME: Marc A. Snyder

TITLE: Mayor

ATTEST:

[Signature]
City Clerk

TOWN OF CALHAN

BY: Ben Baily

DATE: 8-29-2014

NAME: Blair Bartling

TITLE: Mayor

ATTEST:

Cindy Tompkins
Town Clerk

TOWN OF GREEN MOUNTAIN FALLS

BY: Loirie Worthey

DATE: August 13, 2014

NAME: Loirie Worthey

TITLE: Mayor

ATTEST:

Mary Deuel
Town Clerk

TOWN OF MONUMENT

BY: Rafael DOMINQUEZ

DATE: 09-02-2014

NAME: Rafael

TITLE: Mayor

ATTEST:

CJS robinson

Town Clerk

TOWN OF PALMER LAKE

BY: Nikki McDonald

DATE: 8.14.14

NAME: Nikki McDonald

TITLE: Mayor

ATTEST:

Anna Berzetti
Town Clerk

TOWN OF RAMAH


BY: 

DATE: 8-29-2014

NAME: Keith C McCortery

TITLE: Mayor Town of Ramah

ATTEST:


Town Clerk

**THIRD AMENDMENT TO INTERGOVERNMENTAL AGREEMENT DATED JUNE 30,
2008 FOR THE CDBG PROGRAM**

This Third Amendment to the Intergovernmental Agreement between El Paso County, the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah dated June 30, 2008 (the "Third Amendment") is made this ___ day of _____, 2026, by and between El Paso County by and through the Board of County Commissioners of the County of El Paso, 200 S. Cascade, Colorado Springs, CO 80903, and the Cities of Manitou Springs and Fountain, and the Towns of Calhan, Green Mountain Falls, Monument, Palmer Lake and Ramah.

WHEREAS, the required approval, clearance, and coordination have been accomplished from and with the appropriate agencies; and

WHEREAS, the County and the City of Fountain and the Towns of Calhan, Green Mountain Falls, Palmer Lake and Ramah have previously entered into an automatically renewing Intergovernmental Agreement dated June 30, 2008, attached hereto as Exhibit A, referred to herein as the "IGA", which was joined by the City of Manitou Springs on July 7, 2011 via a First Amendment to the IGA and which was joined by the Town of Monument on September 16, 2014 via a Second Amendment to the IGA; and

WHEREAS, on September 16, 2014, Section 4(c) of the IGA was also amended through the Second Amendment and Section 4(d) was added to the IGA, to include additional language to meet new HUD requirements; and

WHEREAS, in 2023, HUD previously requested clarifying language to be included in cooperation agreements in the subsequent cycle and the Parties now desire to amend the IGA to meet said requirements within Section 4(c) of the IGA; and

WHEREAS, based upon HUD Notice CPD-26-08, issued May 15, 2026, the Parties also desire to include additional language in Section 8(b)(i) of the IGA; and

WHEREAS, the Parties hereto now deem it necessary and desirable to further amend the IGA in order to reflect these changes.

NOW, THEREFORE, it is hereby agreed that:

1. Section 4(c) of the IGA shall be amended and fully replaced with the following provision:

The County and Municipalities agree to cooperate to undertake, or assist in undertaking, community renewal and lower-income housing assistance activities. As required by HUD, Municipalities and the County agree to affirmatively further fair housing within their own jurisdictions. The County may not provide any CDBG funding for activities in or in support of the Municipalities if the Municipalities do not affirmatively further fair housing within their own jurisdiction or if the Municipalities impede the County's actions to comply with the County's fair housing certification. This provision is required because non-compliance by the

Municipalities included in an urban county may constitute non-compliance by the urban county, which may provide cause for funding sanctions or other remedial action by HUD.

Additionally, the County and Municipalities shall take all actions necessary to assure compliance with the urban county's certification under section 104(b) of Title I of the Housing and Community Development Act of 1974, that the grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100, and will affirmatively further fair housing. Furthermore, the County and Municipalities shall take all actions necessary to assure compliance with the urban county's certification under section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR part 6, which incorporates Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR part 8, Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR part 35, the Age Discrimination Act of 1975, and the 14 implementing regulation at 24 CFR part 146, and Section 3 of the Housing and Urban Development Act of 1968.

The County and Municipalities agree to comply with any and all other applicable laws and shall sign the assurances and certifications in HUD 424-B.

2. Section 8(b)(i) of the IGA shall be amended to include with the following provision after the first paragraph:

The County and the Municipalities shall take all actions necessary to assure compliance with the County's certification under Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, that the grant will be conducted and administered in conformity with:

Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR Part 1; the Fair Housing Act, and the implementing regulations at 24 CFR Part 100, and will comply with the obligation to affirmatively further fair housing; and Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 6, which incorporates: Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR Part 8; Title II of the Americans with Disabilities Act of 1974, and the implementing regulations at 28 CFR Part 35; the Age Discrimination Act of 1975, and the implementing regulations at 24 CFR Part 146; Section 3 of the Housing and Urban Development Act of 1968; Uniform Relocation and Real Property Policies Act of 1970 and the implementing regulations at 49 CFR Part 24; Section 104(d) of the Housing and Community Development Act of 1974 and the implementing regulations at 24 CFR Part 42; and all other applicable laws and regulations.

The Parties agree that Urban County funding in no event will be used for activities in, or in support of, any cooperating unit of general local government that impedes the County's actions to comply with the County's fair housing certification and duty to affirmatively further fair housing.

- 3. All other terms and conditions of the IGA, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this amended Third Amendment the day and year first above written.

BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

BY: _____
Carrie Geitner, Chair

DATE: _____

ATTEST:

APPROVED AS TO FORM:

El Paso County Clerk & Recorder

El Paso County Attorney's Office

CITY OF FOUNTAIN

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

City Clerk

CITY OF MANITOU SPRINGS

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

City Clerk

TOWN OF CALHAN

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

Town Clerk

TOWN OF GREEN MOUNTAIN FALLS

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

Town Clerk

TOWN OF MONUMENT

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

Town Clerk

TOWN OF PALMER LAKE

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

Town Clerk

TOWN OF RAMAH

By: _____

Date: _____

Name: _____

Title: _____

ATTEST:

Town Clerk



Urban County Participation System

Urban County Status Before Changes

El Paso County, CO		County Population: 752,772		
Field Contact:	Phone:	Hqtrs Notes:		
Name	Population	Current Participation	Defer Comments	Joint Comments
Metro City				
Colorado Springs city	493,554	Not Participating		
County Split Place				
Green Mountain Falls town	608	Include All Parts		
Place				
Calhan town	730	Include		
Fountain city	29,457	Include		
Green Mountain Falls town	584	Include All Parts		
Manitou Springs city	4,607	Include		
Monument town	13,408	Include		
Palmer Lake town	2,575	Include		
Ramah town	106	Include		



OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

SPECIAL ATTENTION:

All Regional Administrators
All CPD Regional Offices
All CPD Field Office and Program Directors
All OGC Field and Regional Offices
All CDBG Grantees

NOTICE: CPD-26-08

Issued: May 15, 2026
Expires: Remains in effect until amended, superseded, or rescinded.
Supersedes: [Notice CPD-25-04](#)
Cross Reference: [24 CFR 570.307](#)

SUBJECT: *Instructions for Urban County Qualification for Participation in the Community Development Block Grant (CDBG) Program*

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SECTION 1: OVERVIEW OF THE URBAN COUNTY NOTICE

1.1 Who’s this Notice for?

The Urban County Notice is for:

- All Community Development Block Grant (CDBG) grantees (Urban Counties, Metropolitan Cities, and States)
- Units of general local government (UGLGs) in Urban Counties
- HUD Community Planning and Development (CPD) field and regional staff
- HUD Office of General Counsel (OGC) field and regional staff

CPD field offices must provide copies of this Notice each year to:

1. All currently qualified Urban Counties
2. Any county that can qualify as a new Urban County
3. Each state administering the State CDBG Program which includes a potentially eligible new Urban County

NOTE: CPD field offices should encourage Urban Counties and potential new Urban Counties to visit the HUD Exchange Urban Counties website for more guidance on Urban County qualification.

1.2 What is an “Urban County” in the CDBG Program?

Urban Counties are counties in metropolitan areas that qualify to directly receive CDBG annual formula funding because they meet a population threshold (generally 200,000), or meet other special characteristics, identified in the Housing and Community Development Act (HCDA) of 1974, as amended.¹ Urban Counties are CDBG Entitlement Communities under the [CDBG Program](#). For more detailed information on the statutory requirements to be qualified as an Urban County, [GO TO ATTACHMENT 1](#). For definitions of the terms used in this Notice, [GO TO ATTACHMENT 2](#).

1.3 What is Urban County “qualification” and why are Urban Counties required to requalify every three federal fiscal years (FYs)?

1.3.1 Urban County qualification is required by the HCDA and CDBG regulations

The HCDA of 1974, as amended, and CDBG program regulations at 24 CFR Part 570 require counties to “qualify” as Urban Counties through a process that involves submitting specific qualification documentation to HUD. The overall reason HUD must qualify Urban Counties is to ensure they are eligible for CDBG funding.

¹ Refer to the official definition of Urban Counties at Section 102(a)(6)(A) of the HCDA for more information: <https://www.govinfo.gov/content/pkg/COMPS-10382/pdf/COMPS-10382.pdf>

Per CDBG program regulations on Urban Counties at [24 CFR 570.307\(a\)](#):

“The Secretary will determine the qualifications of counties to receive entitlements as urban counties upon receipt of qualification documentation from counties at such time, and in such manner and form as prescribed by HUD. The Secretary shall determine eligibility and applicable portions of each eligible county for purposes of fund allocation under section 106 of the [HCDA] on the basis of information available from the U.S. Bureau of the Census with respect to population and other pertinent demographic characteristics, and based on information provided by the county and its included units of general local government.”

1.3.2 Urban Counties are required to requalify every three federal fiscal years (FYs)

The three-fiscal-year Urban County qualification period is a statutory requirement,² which is also codified in CDBG program regulations at [24 CFR 570.307\(d\)\(1\)](#):
“The qualification by HUD of an urban county shall remain effective for three successive Federal fiscal years regardless of changes in its population...”

1.3.3 Purposes of Urban County qualification

The four main purposes are officially verifying and ensuring:

1. Counties meet the population threshold to be an Urban County. In general, this is based on the combined population in: a) the county’s unincorporated areas and b) “participating” units of general local government (*Participating UGLGs*).³
2. HUD can accurately allocate formula grant funding for the CDBG program (and HOME Investment Partnerships (HOME) and Emergency Solutions Grant (ESG) programs, if applicable).⁴ Urban County “configurations” affect formula funding amounts across the entire CDBG Entitlement grantee portfolio.⁵
3. Intergovernmental agreements or IGAs (agreements between local governments)⁶ for Urban Counties are legally sufficient for HUD. These legal agreements are between Urban Counties and Participating UGLGs (or Metropolitan Cities).
4. Participating UGLGs (in Cooperation Agreements) and Metropolitan Cities (in Joint Agreements) have an opportunity every three years to choose whether to continue, or opt out of, participating in their Urban County.

² Section 102(d) of the HCDA (42 U.S.C. 5302(d)) states: *“The population of any UGLG which is included in that of an urban county [...] shall be included in the population of such urban county for three program years beginning with the program year that its population was first so included.”*

³ The population of Metropolitan Cities is never counted towards Urban Counties, including under *Joint Agreements*.

⁴ The HOME and ESG programs are marked “if applicable” because not all Urban Counties receive HOME or ESG funding. Some Urban Counties are not eligible and some choose not to participate in those programs.

⁵ There are approximately 1,300 CDBG Entitlement Communities (cities and counties), which directly receive CDBG grants annually. There are approximately 1,100 Metropolitan Cities and approximately 200 Urban Counties.

⁶ There are two types of agreements: 1) *Cooperation Agreements* (between Urban Counties and Participating UGLGs); and 2) *Joint Agreements* (between Urban Counties and Metropolitan Cities [CDBG Entitlements]).

1.4 What's covered in this Notice?

This Notice establishes and explains requirements for Urban County qualification.⁷ Below is a summary of the Notice's sections and attachments:

- **Section 1: Overview of the Urban County Notice** (this section) introduces this Notice and Urban County qualification. Please note that [SECTION 1.5](#) highlights the changes HUD is making to this Notice from [Notice CPD-25-04](#).
- **Section 2: The Urban County Qualification Process** provides a step-by-step process map of the qualification process and a brief explanation of each step in the process. This section will help you understand how the process works.
- **Section 3: Your Urban County Qualification Package** covers the requirements for your county's "qualification package" that you must submit to your CPD field office. It also provides instructions on how to submit your qualification package. Specifically, this section provides guidance on: 1) *Urban County Participation Decision Letters*; 2) *Cooperation Agreements and Joint Agreements*; and 3) *County Counsel Legal Opinion Letters*.
- **Section 4: Requirements, Deadlines, Urban County Lists, and Other Guidance** summarizes all requirements to receive CDBG funding as an Urban County, provides more information on the *Urban County Qualification Deadlines* and *Urban County Lists* that HUD will publish annually on the HUD Exchange Urban Counties website, and provides other technical guidance for qualifying counties.
- **Attachments** includes six attachments:
 - Attachment 1: *Statutory Requirements to be an Urban County*
 - Attachment 2: *Definitions of Urban County Terms*
 - Attachment 3: *HUD Requirements and Sample Language for Cooperation Agreements*
 - Attachment 4: *HUD Requirements and Sample Language for Joint Agreements*
 - Attachment 5: *Cooperation Agreements vs. Joint Agreements Comparison Table*
 - Attachment 6: *Urban County Qualification Scenarios Comparison Table*

1.5 What's new in this Notice?

- **Converted to a standing Notice:** HUD will no longer publish an Urban County Notice annually. This Notice will remain in effect until amended, superseded, or rescinded by a new Urban County Notice. As a supplement to this Notice, HUD will publish three additional guidance products annually on the HUD Exchange Urban Counties website: 1) *Urban County Qualification Deadlines*; 2) *Urban County Lists*; and 3) *Metropolitan Cities in Joint Agreements with Urban Counties*.

⁷ In this Notice, HUD uses the phrases "Urban County qualification" or "qualifying Urban Counties" for simplicity instead of using "Urban County qualification and requalification" or "qualifying or requalifying Urban Counties." Requalifying as an Urban County is essentially the same process as qualifying the first time.

- Removed references to specific fiscal years (FYs) and three-year Urban County qualification periods:** Because HUD converted this Notice to a standing Notice, this Notice no longer refers to specific FYs or specific three-year qualification periods (e.g., FYs 20XX–20XX). The only exception is to explain the effective date of HUD’s policy change to “auto-renewal” of Urban County agreements.
- Added new content in Section 1 (Overview of the Urban County Notice):** HUD added new content to Section 1 to provide more foundational information on Urban County qualification for grantees and HUD staff. The new sections ([SECTION 1.2](#) and [SECTION 1.3](#)) explain the statutory and regulatory basis for Urban County qualification under the HCDA of 1974, as amended, and CDBG regulations at [24 CFR 570.307](#). HUD also more thoroughly explains the purposes of Urban County qualification in [SECTION 1.3.3](#).
- Revised Section 2 (The Urban County Qualification Process):** HUD revised the *Step-by-Step Process Map* ([GO TO SECTION 2.1](#)) and the narrative explanation of each step in the process ([GO TO SECTION 2.2](#)). HUD revised these sections to improve the explanation of the qualification process, and made minor revisions to the final steps of the process to ensure CPD field staff and Urban Counties are notified which counties are qualified for the next three-year qualification period.
- Replaced the previous Section 3 with a new Section 3 (“Your Urban County Qualification Package”) and added content reorganized from other sections in previous Notices:** HUD added this new section to consolidate guidance on the “qualification package” Urban Counties must submit to CPD field offices: 1) *Urban County Participation Decision Letters*, 2) *Cooperation Agreements* and *Joint Agreements* (if any), and 3) *County Counsel Legal Opinion Letters*.
- Replaced the previous Section 4 (Attachments) with the previous Section 3 and revised the name and content of the new Section 4 (“Requirements, Deadlines, Urban County Lists, and Other Guidance”):** The new Section 4 summarizes all requirements, explains “qualification scenarios” counties will be in over time, and explains the *Urban County Qualification Deadlines* and *Urban County Lists* which will be updated each year on the HUD Exchange Urban Counties website.
- Eliminated specific names for Urban County notification letters:** HUD eliminated the four specific names for notification letters to UGLGs and Metropolitan Cities (e.g., *Notification of Opportunity to be Excluded*) in favor of using a single name for all notification letters: *Urban County Participation Decision Letters*. HUD made this change to make it easier for grantee staff to understand the notification letters. This change does not imply all notification letters to UGLGs have the same requirements (they do not). However, all letters are seeking CDBG program participation decisions from UGLGs and Metropolitan Cities in Urban Counties (opting in/out of the Urban County). HUD believes the new naming convention for these letters is simpler and easier to understand.

- ***Changed HUD’s policy on “auto-renewal” of Cooperation and Joint Agreements (effective for the FY 2027 Urban County Qualification Process):*** In this Notice, HUD is notifying Urban Counties and partnering local governments that HUD is changing its policy on “auto-renewal” of *Cooperation Agreements* and *Joint Agreements*. Please note that this new policy will go into effect for the FY 2027 Urban County qualification process (for the FYs 2028–2030 qualification period). HUD is delaying the effective date to provide Urban Counties sufficient time to implement this policy change.

 - Under the new policy, *Cooperation* and *Joint Agreements* may only auto-renew for one three-fiscal-year qualification period, rather than in perpetuity. Essentially, the agreements may only be in place for a maximum of six years (two qualification periods)⁸ before the parties involved must reauthorize and re-execute the agreement(s). [GO TO SECTION 3.7](#) to learn more about the new policy.
- ***Defined additional Urban County Terms (Attachment 2):*** HUD defined more terms used in this Notice to help grantees and HUD staff, especially new staff, better understand Urban County qualification. There are many unique terms related to Urban Counties and the qualification process. This attachment provides a helpful resource for readers to learn what specific Urban County terms mean.
- ***Revised HUD Requirements for Cooperation Agreements and Sample Language for Cooperation Agreements (Attachment 3):*** HUD made minor adjustments to *Cooperation Agreement* requirements and the sample language for *Cooperation Agreements* and combined these two previous attachments into one. Most of the adjustments HUD made were to conform this attachment with HUD’s new policy on “auto-renewal” of Urban County agreements.
- ***Added new guidance on HUD Requirements and Sample Language for Joint Agreements (Attachment 4):*** HUD added new guidance to clarify requirements, and provide sample language, for *Joint Agreements*. HUD added this guidance to avoid confusion for grantees about what must be included in *Joint Agreements*. While the requirements for *Cooperation Agreements* and *Joint Agreements* are similar, there are several differences.
- ***Added new Cooperation Agreements vs. Joint Agreements Comparison Table (Attachment 5):*** HUD added this new table to provide a useful tool for Urban Counties, UGLGs, and Metropolitan Cities to compare the differences between *Cooperation Agreements* and *Joint Agreements*. HUD added this guidance due to confusion among Urban Counties, UGLGs, and Metropolitan Cities on the distinction between *Cooperation Agreements* and *Joint Agreements*.

⁸ HUD will allow an emergency exception to allow agreements to auto-renew for one additional qualification period (maximum total of nine years) with written approval from the Urban County’s CPD field office.

- ***Revised and improved the Urban County Qualification Scenarios Comparison Table (Attachment 6):*** HUD made minor adjustments to this table to better explain the distinctions between the three Urban County qualification scenarios that Urban Counties may experience any given year.

1.6 Who can I contact if I have questions?

Contact your CPD Representative or your [CPD field office](#). To reach the CPD Entitlement Communities Division with questions about Urban Counties, email urbancounties@hud.gov.

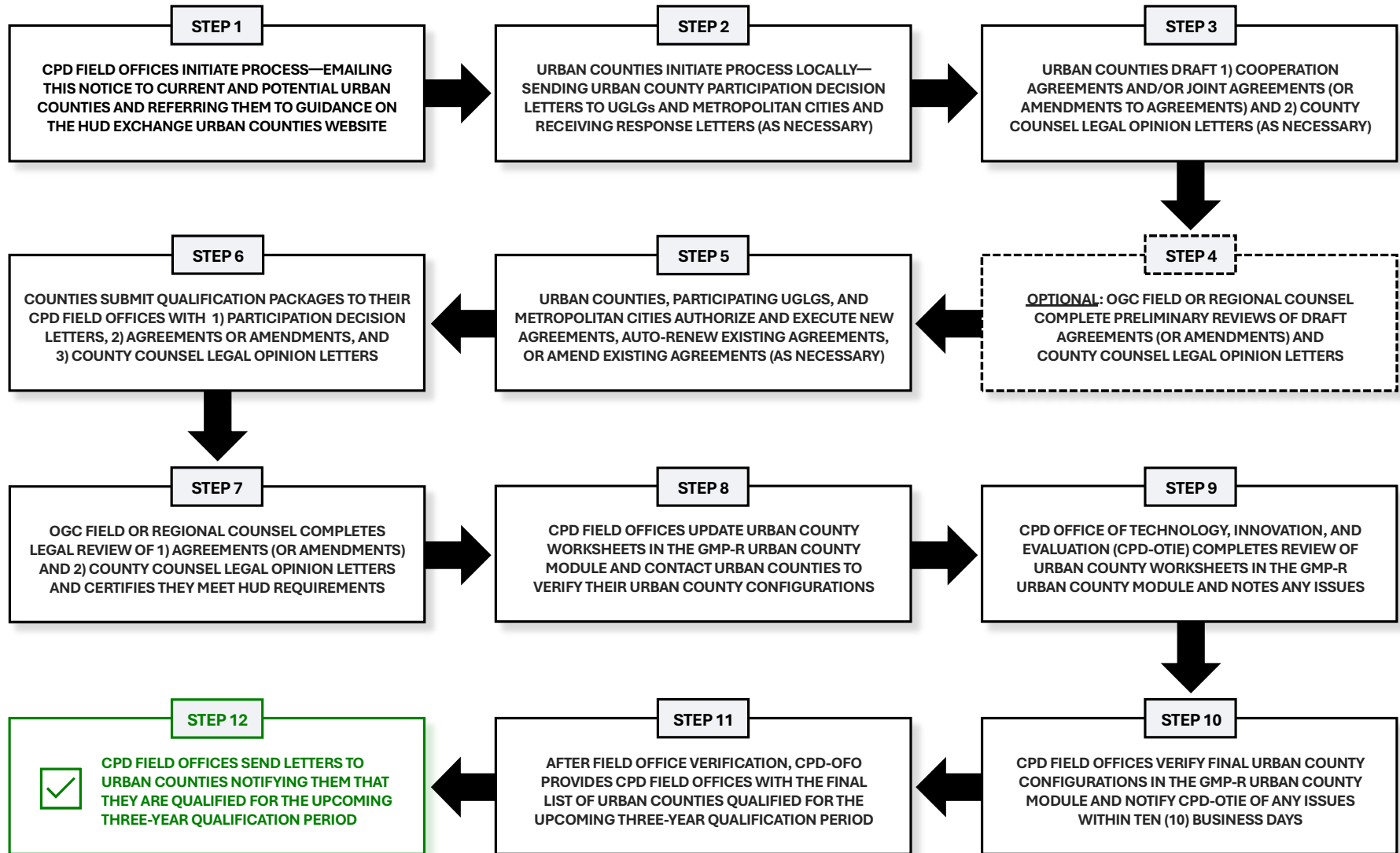
NOTE: HUD encourages Urban Counties, potential new Urban Counties, and UGLGs in Urban Counties to contact their CPD field office first before emailing the CPD Entitlement Communities Division.

1.7 Paperwork Reduction Act (PRA) information

The Office of Management and Budget (OMB) has approved the information collection requirements in this Notice under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The assigned OMB control number for this information collection is 2506-0170.

SECTION 2: THE URBAN COUNTY QUALIFICATION PROCESS

2.1 Step-by-Step Process Map: The Urban County Qualification Process



2.2 What happens during each step in the Urban County qualification process?

2.2.1 Step 1: CPD field offices initiate process—emailing this Notice to current and potential Urban Counties and referring them to guidance on the HUD Exchange Urban Counties website

CPD field offices initiate the Urban County qualification process by emailing this Notice to all currently qualified (and potential new) Urban Counties. In this email, CPD field offices will also refer counties to two additional guidance products that HUD will publish annually on the HUD Exchange Urban Counties website:

1) *Urban County Qualification Deadlines* and 2) *Urban County Lists*.

NOTE: [GO TO SECTION 4.3](#) for more information on *Urban County Qualification Deadlines* and [GO TO SECTION 4.4](#) for more information on *Urban County Lists*.

2.2.2 Step 2: Urban Counties initiate process locally—sending *Urban County Participation Decision Letters* to UGLGs and Metropolitan Cities and receiving response letters (as necessary)

RECOMMENDATION: HUD recommends that Urban Counties begin outreach with UGLGs and Metropolitan Cities in their county near the beginning of the year (e.g., January) to secure their participation decisions on joining, continuing, or opting out of their Urban County for the next three-fiscal-year qualification period. Counties should not wait for HUD to contact them (Step 1) OR for HUD to publish an updated Urban County Notice or updated *Urban County Qualification Deadlines* and *Urban County Lists*. Beginning the Urban County qualification process in January of the qualification year allows 8-9 months to complete the whole process.

Your county will initiate the qualification process locally by contacting all UGLGs in your county (including potential new Metropolitan Cities) in writing (letters) to determine their CDBG program participation decisions for the upcoming three-year Urban County qualification period. With this Notice, HUD is renaming these official letters: *Urban County Participation Decision Letters*.

NOTE: [GO TO SECTION 3.3](#) for guidance on *Urban County Participation Decision Letters* and [GO TO SECTION 4.6](#) for guidance on potential new Metropolitan Cities. (The U.S. Census Bureau identifies potential new Metropolitan Cities around July or August each year based on updated data.)

Urban Counties are not required to contact *current* Metropolitan Cities (independent CDBG Entitlement grantees) with *Urban County Participation Decision Letters*. However, your Urban County may consider communicating with *current* Metropolitan Cities to discuss partnering with your Urban County under a *Joint Agreement*.

NOTE: HUD understands that relationships between Urban Counties and *current* independent Metropolitan Cities (CDBG Entitlements) vary widely across the Nation. Most *current* independent Metropolitan Cities will prefer to administer their own CDBG programs and are not interested in joining an Urban County. However, some current independent Metropolitan Cities may be interested in pursuing a *Joint Agreement* with their Urban County.

2.2.3 Step 3: Urban Counties draft 1) *Cooperation Agreements with Participating UGLGs and/or Joint Agreements with Metropolitan Cities* (or amendments to agreements) and 2) *County Counsel Legal Opinion Letters* (as necessary)

After your county secures participation decisions, you will draft: 1) *Cooperation Agreements with Participating UGLGs and/or Joint Agreements with Metropolitan Cities* (or amendments to agreements) AND 2) a *County Counsel Legal Opinion Letter* (as necessary). [GO TO SECTION 3](#) for the requirements for these documents.

HUD RECOMMENDATION: HUD encourages your county to submit a draft *Cooperation Agreement* and/or draft *Joint Agreement* (or draft amendment) for a preliminary legal review by OGC Field or Regional Counsel. This may help avoid time-consuming, back-and-forth revisions between your county and HUD after you submit your qualification package (Step 6). For example, it may help avoid HUD deeming your agreement(s) or amendment(s) unacceptable after all your Urban County’s participating governments have authorized and executed them. Your county should request a preliminary review early enough in the process to execute any needed changes before the deadline for submitting your complete Urban County qualification package to HUD.

2.2.4 Step 4 (Optional Step): OGC Field or Regional Counsel complete preliminary reviews of draft *Cooperation and/or Joint Agreement(s)* (or amendments) and *County Counsel Legal Opinion Letters*

If your Urban County chooses to submit a draft *Cooperation Agreement* and/or *Joint Agreement* to HUD (or draft amendment), OGC Field or Regional Counsel will perform a preliminary legal review of your draft agreement (or amendment) and *County Counsel Legal Opinion Letter* (if also provided). This optional step includes any back-and-forth between HUD and your county on revising the draft agreement (or amendment) and *County Counsel Legal Opinion Letter*.

2.2.5 Step 5: Urban Counties, Participating UGLGs, and Metropolitan Cities authorize and execute new agreements (or amendments to existing agreements) OR “auto-renew” existing agreements per HUD’s “auto-renewal” policy (as necessary)

Your county must officially authorize and execute new *Cooperation Agreements* and/or *Joint Agreements* (or amendments to existing agreements). This means securing authorization from governing bodies for all participating governments (e.g., city or county council resolutions) AND executing agreements/amendments with signatures from the chief executive officers⁹ of all participating governments. HUD will accept “digital” signatures if they show a) verification the chief executive officer (or their designee) completed the signature and b) a time and date stamp.

⁹ The “chief executive officer” is an elected official, or legally designated official, who has the primary responsibility for the conduct of governmental affairs. Examples include the mayor, county executive, board chairperson, or governor. Refer to the official definition at [24 CFR 570.3](#).

Existing Urban County agreements that contain auto-renewal provisions may also be “auto-renewed,” consistent with HUD’s “auto-renewal” policy for *Cooperation Agreements* and *Joint Agreements*.

NOTE: HUD is announcing a new “auto-renewal” policy in this Notice. However, that policy will not take effect until the FY 2027 Urban County qualification process and does not affect Urban Counties qualifying in FY 2026 (for FYs 2027–2029). [GO TO SECTION 3.7](#) for more information.

2.2.6 Step 6: Urban Counties submit qualification packages to their CPD field offices with 1) *Urban County Participation Decision Letters*, 2) *Cooperation and/or Joint Agreements* (or amendments), and 3) *County Counsel Legal Opinion Letters*

Your county must submit its final Urban County qualification package to your CPD field office with all required qualification documents for HUD’s review and approval. As necessary, your package must include: 1) all *Urban County Participation Decision Letters*, 2) authorized and executed *Cooperation Agreements* and/or *Joint Agreements* (or amendments), and 3) a *County Counsel Legal Opinion Letter*. [GO TO SECTION 3](#) for more guidance on the documents you must submit to your CPD field office.

NOTE: Counties seeking Urban County qualification for the first time must submit their package to their CPD field office and the CPD Entitlement Communities Division (urbancounties@hud.gov). [GO TO SECTION 4.5](#) for more guidance on Urban County qualification for *First-Time Qualifiers*.

2.2.7 Step 7: OGC Field or Regional Counsel completes official legal review of 1) *Cooperation and/or Joint Agreements* (or amendments) and 2) *County Counsel Legal Opinion Letters* and certifies they meet HUD requirements

OGC Field or Regional Counsel completes its official review of your *Cooperation and/or Joint Agreements* (or amendments) and *County Counsel Legal Opinion Letter*. OGC Field or Regional Counsel must officially certify that each agreement meets HUD requirements for *Cooperation Agreements* and *Joint Agreements* in this Notice. OGC Field or Regional Counsel submit their certifications to the CPD field office.

2.2.8 Step 8: CPD field offices update Urban County worksheets in the GMP-R Urban County Module and contact Urban Counties to verify their Urban County configurations

Based on the documentation submitted by Urban Counties, CPD field offices will update Urban County worksheets in the GMP-R Urban County Module. CPD field offices will also update Urban County worksheets for currently qualified Urban Counties adding new *Participating UGLGs* for the rest of their qualification period.

After CPD field staff update the worksheets, they will send them to Urban Counties to double-check and verify the data on the Participating UGLGs and Metropolitan Cities (in *Joint Agreements*) for each Urban County. Verifying this data is accurate is critical because your Urban County’s population size affects formula funding allocations across the entire CDBG Entitlement grantee portfolio.

2.2.9 Step 9: CPD Office of Technology, Innovation, and Evaluation (CPD-OTIE) completes review of Urban County worksheets in the GMP-R Urban County Module and notes any issues

CPD-OTIE will review the Urban County worksheets in the GMP-R Urban County Module and will note any issues with the worksheets (Urban County configurations) that need to be resolved by CPD field offices.

2.2.10 Step 10: CPD field offices verify final Urban County configurations in the GMP-R Urban County Module and notify OTIE of any issues within ten (10) business days

CPD field offices will review and verify the final Urban County configurations in the GMP-R Urban County Module. CPD field offices must notify CPD-OTIE within ten (10) business days if there are any data errors in the Urban County worksheets and work with CPD-OTIE to resolve those issues.

2.2.11 Step 11: After field office verification, CPD-Office of Field Operations (CPD-OFO) provides CPD field offices with the final list of Urban Counties qualified for the upcoming three-year qualification period

Following field office verification that Urban County worksheets are accurate, CPD-OFO, CPD-OBGA, and CPD-OTIE will coordinate and concur on the final list of Urban Counties qualified for the upcoming three-year qualification period. CPD-OFO will distribute this final list of Urban Counties to all CPD field offices, with instructions to notify Urban Counties that they are officially qualified.

2.2.12 Step 12: CPD field offices send letters to Urban Counties notifying them that they are qualified for the upcoming three-year qualification period

CPD field offices will notify your Urban County in writing that your county is qualified as an Urban County for the upcoming three-year qualification period.

2.3 How long is my Urban County's qualification period?

After qualifying, your county is entitled to receive CDBG funds as an Urban County for three consecutive fiscal years, if Congress appropriates funds and if your county submits its Consolidated Plan/Action Plan by August 16 each year. Urban Counties requalify for their *next* qualification period in their third and final year of their *current* qualification period.

2.4 Can my Urban County add new Participating UGLGs during our three-year qualification period?

Yes. Your Urban County may add previously *Nonparticipating UGLGs* to your Urban County as Participating UGLGs for your second and/or third years of your qualification period if UGLGs decide they want to participate. During years 1–2 of your qualification period, your county may choose to send an *Urban County Participation Decision Letter*

to any *Nonparticipating UGLGs* in your county offering them the opportunity to join your Urban County for the remainder of the qualification period. Sending reminder letters to *Nonparticipating UGLGs* during your Urban County’s qualification period about their opportunity to join is optional.

NOTE: HUD calculates your Urban County’s CDBG grant amount annually and it will account for the addition of any new *Participating UGLGs* for the second and/or third years of your qualification period.

2.5 Can my Urban County add a Metropolitan City as a *Joint Recipient* (under a *Joint Agreement*) during our three-year qualification period?

No. Your Urban County may only add a Metropolitan City as a *Joint Recipient* (under a *Joint Agreement*) during your Urban County’s qualification year for the next three-year qualification period. Per [24 CFR 570.308\(a\)\(1\)](#), *Joint Requests* for an Urban County to administer a Metropolitan City’s CDBG grant program, in addition to administering the Urban County’s CDBG program, may only be submitted and considered by HUD the year that your Urban County is requalifying.

2.6 Can a Participating UGLG (in a *Cooperation Agreement*) OR a Metropolitan City (in a *Joint Agreement*) withdraw from our Urban County during our three-year qualification period?

No. Participating UGLGs in *Cooperation Agreements* may not withdraw from your Urban County during your qualification period—unless your county does not receive a CDBG grant for any year during the qualification period. Participating UGLGs must continue to participate in your Urban County even if they become eligible to be a Metropolitan City during your Urban County’s three-year qualification period. Similarly, Metropolitan Cities in *Joint Agreements* with your Urban County also may not withdraw from your Urban County during your three-year qualification period—unless your county does not receive a CDBG grant for any year during the qualification period.

NOTE: If an unincorporated area of your county incorporates (becomes an UGLG) during your qualification period, it must remain part of your Urban County until your current qualification period ends. If this occurs, your county must execute a *Cooperation Agreement* with the new UGLG if your county does not have “essential powers” in UGLGs.

2.7 What is HUD’s “Determination of Essential Powers”?

As part of Urban County qualification, HUD must determine where your county can legally carry out “essential community development and housing assistance activities.” HUD calls this the “Determination of Essential Powers,” and usually makes this determination the first time an Urban County qualifies. When an Urban County is requalifying, HUD may rely on its previous determination(s), unless there is evidence to the contrary.

In the Determination of Essential Powers, OGC Field or Regional Counsel determines the legal authority of your county to conduct “essential community development and housing

assistance activities” in your county’s 1) unincorporated areas and 2) UGLGs (without consent by UGLG governing bodies). In carrying out its review, OGC Field or Regional Counsel may request and consider information provided by your county, in addition to other relevant information obtained from independent sources.

To be qualified as an Urban County, your county must have “essential powers” in its unincorporated areas, at a minimum, per the HCDA of 1974, as amended. This requirement and the quoted language on “essential powers” is in the HCDA of 1974, as amended, and CDBG program regulations on Urban Counties at 24 CFR 570.307, as shown below:

- Per Section 102(a)(6)(A)(i) of the HCDA of 1974, as amended, an Urban County must be “*authorized under State law to undertake essential community development and housing assistance activities in its unincorporated areas, if any, which are not units of general local government...*”
- Per the Urban Counties regulations at [24 CFR 570.307\(b\)\(1\)](#): “*the Secretary shall determine which counties have authority to carry out essential community development and housing assistance activities in their included units of general local government without the consent of the local governing body and which counties must execute cooperation agreements with such units to include them in the urban county for qualification and grant calculation purposes.*”

NOTE: “Essential powers” are granted (or not granted) by state governments under state laws. Most states only grant counties “essential powers” in unincorporated areas, and not in their UGLGs because UGLGs are granted authority over their jurisdictions. Because most states do not grant their counties “essential powers” in UGLGs, *Cooperation Agreements* are generally required for all *Participating UGLGs* that wish to join an Urban County. *Joint Agreements* are required between Urban Counties and Metropolitan Cities.

SECTION 3: YOUR URBAN COUNTY QUALIFICATION PACKAGE

3.1 What documents must I submit in my Urban County’s qualification package?

Your Urban County must submit three sets of documents to your CPD field office:

1. *Urban County Participation Decision Letters* exchanged back and forth between your county, UGLGs, and Metropolitan Cities about participating or not participating in your Urban County’s CDBG program
2. Authorized and executed *Cooperation Agreements* with Participating UGLGs and/or *Joint Agreements* with Metropolitan Cities (or *Amendments* to agreements)
3. *County Counsel Legal Opinion Letter*

3.2 How do I submit my Urban County’s qualification package to HUD?

You should submit your qualification package to your CPD field office via email to your CPD Representative. If you are a *First-Time Qualifier*, your county must submit your qualification package to your CPD field office and the CPD Entitlement Communities Division (urbancounties@hud.gov).

NOTE: [GO TO SECTION 4.5](#) for more guidance for *First-Time Qualifiers*.

3.3 What are HUD’s requirements for *Urban County Participation Decision Letters*?

HUD has simplified the naming convention for the notification letters that qualifying Urban Counties must send to UGLGs and Metropolitan Cities during the qualification process. The new name for these letters is simpler and more descriptive: *Urban County Participation Decision Letters*. HUD changed the name of the letters to better capture their purpose: securing CDBG program *participation decisions* from UGLGs and Metropolitan Cities for the Urban County’s upcoming three-year qualification period.

NOTE: *Urban County Participation Decision Letters* refers to both the outgoing letters sent by the qualifying Urban County and any response letters received from UGLGs or Metropolitan Cities.

3.3.1 *Urban County Participation Decision Letters* for all UGLGs in your county

Each time your Urban County qualifies, you must contact all UGLGs in your county (except *current* independent Metropolitan Cities) with an *Urban County Participation Decision Letter*. This is true regardless of a) each UGLG’s past CDBG program participation decisions, b) if your county has “essential powers” in UGLGs, and c) if you have *Auto-Renewal Cooperation Agreements* in place. For example, your Urban County may have a Nonparticipating UGLG that has chosen not to participate for 25 years. When your Urban County requalifies every three years, you still must give this UGLG the opportunity to change their CDBG program participation decision and join your Urban County’s CDBG program.

Letter Requirements and CDBG Program Participation Options for UGLGs

UGLGs in requalifying Urban Counties will be in a variety of scenarios during an Urban County’s requalification year, depending on the relationships and legal authorities between the Urban County and its UGLGs. For example, when Urban Counties are requalifying, some UGLGs will be:

- Participating UGLGs in the Urban County in its current qualification period (either in a *Cooperation Agreement* or not, depending on “essential powers.”)
- Nonparticipating UGLGs in the Urban County in its current qualification period.
- “Split places,” which have unique CDBG program participation options because their jurisdictions are in multiple counties.

If your Urban County has “essential powers” in UGLGs (applies to few states): UGLGs are automatically included as participants in your Urban County—unless they ask to be excluded from the Urban County. If these UGLGs do not respond to your *Urban County Participation Decision Letter*, they will be included in your Urban County (even if they chose to be a Nonparticipating UGLG during the last qualification period). They must opt out of each qualification period.

If your Urban County does not have “essential powers” in UGLGs: UGLGs must choose to join your Urban County and must execute a *Cooperation Agreement*. If these UGLGs do not respond to your *Urban County Participation Decision Letter*, they cannot be included in your Urban County.

Regardless of each UGLG’s specific situation, your Urban County must a) contact all UGLGs (*except current independent Metropolitan Cities/CDBG Entitlements*) to notify them of their CDBG program participation options for your Urban County’s upcoming three-year qualification period and b) request their participation decisions in a response letter by the deadline set in the *Urban County Qualification Deadlines* posted on the HUD Exchange Urban Counties website.

CDBG Program Participation Options for UGLGs currently in Cooperation Agreements with your Urban County (currently Participating UGLGs)

1. Continue as a Participating UGLG in your Urban County by renewing their Cooperation Agreement for the upcoming three-year qualification period. This means submitting a newly-executed agreement OR auto-renewing the agreement, per HUD’s “auto-renewal” policy. (Please note again that the new “auto-renewal” policy outlined in [SECTION 3.7](#) will take effect in FY 2027.)
2. Opt out of being a Participating UGLG in your Urban County by terminating or not renewing their Cooperation Agreement for the upcoming three-year qualification period. After opting out, an UGLG may choose to seek State CDBG program funding as a Non-Entitlement UGLG OR not participate in the CDBG program altogether.

CDBG Program Participation Options for UGLGs that are currently Nonparticipating UGLGs in your Urban County

1. Join your Urban County as a Participating UGLG by executing a *Cooperation Agreement with your Urban County*, if necessary, based on “essential powers.”
2. Continue to opt out of your Urban County by responding to your Urban County’s letter stating that their UGLG does not wish to participate. After opting out, an UGLG may choose to seek State CDBG program funding as a Non-Entitlement UGLG OR not participate in the CDBG program altogether.

CDBG Program Participation Options for “Split Places” (UGLGs whose jurisdictions are “split” across two or more counties)

For split places partly located in only ONE Urban County, one of these applies:

1. If it’s a split place where your county has essential powers in incorporated areas (rare), the entire area of the split place will be included in your Urban County for the qualification period (*unless the split place asks to be excluded*); OR
2. If the split place can only be included in your Urban County with a *Cooperation Agreement*, the entire area of the split place may be included in your Urban County for the qualification period after executing a *Cooperation Agreement*.

For split places partly located in TWO OR MORE Urban Counties, the split place may choose from one of three participation options:

1. To be excluded from all Urban Counties
2. To be included entirely in one Urban County and excluded from the other Urban County(ies)
3. To participate in more than one Urban County in which it’s partially located, but there must be no overlapping. Your Urban County can’t expend CDBG funds in the part of a split place that is in another Urban County’s CDBG program.

3.3.2 OPTIONAL: *Urban County Participation Decision Letters* for Nonparticipating UGLGs during a currently qualified Urban County’s qualification period

If your currently qualified Urban County has Nonparticipating UGLGs, you may re-invite these UGLGs to join your Urban County for the remaining 1–2 years of your current qualification period. HUD defers to your county on that decision because HUD already requires your Urban County to notify all UGLGs (*except current independent Metropolitan Cities*) of their participation options each requalification year. The list of qualified Urban Counties with Nonparticipating UGLGs will be published each year on the HUD Exchange Urban Counties website (List 5). [GO TO SECTION 4.4](#) for more information on *Urban County Lists*.

NOTE: If a Nonparticipating UGLG decides to join your Urban County and a *Cooperation Agreement* is necessary, then your Urban County must execute an agreement that meets HUD requirements for *Cooperation Agreements* in [ATTACHMENT 3](#).

3.3.3 *Urban County Participation Decision Letters for Metropolitan Cities currently in Joint Agreements with an Urban County*

For requalifying Urban Counties that are in *Joint Agreements* with Metropolitan Cities, your county must also send letters to those Metropolitan Cities notifying them of their opportunity to change their CDBG program participation decision, even if you have an *Auto-Renewal Joint Agreement* in place with the jurisdictions. Your Urban County must request a participation decision from the Metropolitan City in a response letter by the deadline set in the *Urban County Qualification Deadlines* published on the HUD Exchange Urban Counties website.

CDBG Program Participation Options for Metropolitan Cities currently in Joint Agreements with your Urban County

1. Renew the *Joint Agreement* with your Urban County for the upcoming three-year Urban County qualification period. This means reauthorizing and re-executing the agreement OR auto-renewing the agreement, per HUD’s “auto-renewal” policy. (Please note again that the new “auto-renewal” policy outlined in [SECTION 3.7](#) will take effect in FY 2027.)
2. Terminate the *Joint Agreement* with your Urban County, relinquish their CDBG Entitlement status, and execute a *Cooperation Agreement* to continue participating in your Urban County (as a Participating UGLG) for your upcoming three-year Urban County qualification period.
3. Terminate the *Joint Agreement* with your Urban County and resume their independent CDBG Entitlement status as a Metropolitan City.
4. Terminate the *Joint Agreement* with your Urban County, relinquish their CDBG Entitlement status, and become a Non-Entitlement UGLG. They may then choose to seek State CDBG Program funding OR not participate in the CDBG program altogether.

NOTE: If a Metropolitan City is geographically “split” across multiple Urban Counties, they may only be in a *Joint Agreement* with one of the Urban Counties.

3.3.4 *Urban County Participation Decision Letters from Metropolitan Cities accepting or deferring their CDBG Entitlement status*

If applicable, you may also need to submit letters sent and received from:

1. Any UGLG that may newly qualify as a Metropolitan City but wants to defer its CDBG Entitlement status;
2. Any UGLG currently deferring Metropolitan City (CDBG Entitlement) status that wants to continue to defer its CDBG Entitlement status;
3. Any UGLG accepting Metropolitan City (CDBG Entitlement) status stating it will enter into a *Joint Agreement* with your Urban County

(and a letter from your Urban County confirming willingness to enter into the *Joint Agreement*); and

4. Any UGLG accepting Metropolitan City (CDBG Entitlement) status stating that they will cease participation in your Urban County’s CDBG program and become an independent CDBG Entitlement.

3.4 What are HUD’s requirements for *Cooperation Agreements* between Urban Counties and Participating UGLGs?

[GO TO ATTACHMENT 3](#) for HUD’s list of requirements for *Cooperation Agreements*. HUD also provides sample language for *Cooperation Agreements* in ATTACHMENT 3.

3.5 What are HUD’s requirements for *Joint Agreements* between Urban Counties and Metropolitan Cities (*Joint Recipients*)?

[GO TO ATTACHMENT 4](#) for HUD’s list of requirements for *Joint Agreements*. HUD also provides sample language for *Joint Agreements* in ATTACHMENT 4.

NOTE: If either your Urban County or the Metropolitan City falls under the “exception criteria” at [24 CFR 570.208\(a\)\(1\)\(ii\)](#) for activities that benefit low- and moderate-income residents of an area, your Urban County must notify the Metropolitan City in a letter of the potential effects of *Joint Agreements* on these activities.

3.6 What are HUD’s requirements for *County Counsel Legal Opinion Letters*?

You must submit a legal opinion from your county counsel’s office (office of the “chief legal official” for your county) in an official letter. HUD will accept letters issued by your county’s Office of County Counsel, Office of General Counsel, or similarly named office. HUD will also accept letters signed by an attorney who is not the “chief legal official,” such as your Deputy County Counsel or Legal Branch Chief. This legal opinion letter must state two things: 1) that state and local law authorizes the terms and provisions of your *Cooperation Agreements* with Participating UGLGs and/or *Joint Agreements* with Metropolitan Cities (*Joint Recipients*) AND 2) that the agreements provide full legal authority for your county to undertake, or assist in undertaking, essential community development and housing assistance activities in incorporated areas.

3.7 What is HUD’s new policy on “auto-renewal” of *Cooperation Agreements* and *Joint Agreements* (effective for the FY 2027 Urban County qualification process)?

3.7.1 Background and history on “auto-renewal” of Urban County agreements

In the past, HUD allowed Urban Counties and partnering local governments to “auto-renew” their Urban County agreements (*Cooperation Agreements* and *Joint Agreements*) in perpetuity by adding an auto-renewal provision to their agreements. Urban Counties and partnering local governments would only make amendments to their agreements if required by HUD (in a new Urban County Notice) or because new federal, state, or local laws necessitated updating the agreements.

3.7.2 Why HUD is updating its “auto-renewal” policy for Urban County agreements

HUD is aware that some Urban Counties have *Cooperation Agreements* that have not been reauthorized or re-executed for many years. This was not the intent of HUD’s policy on “auto-renewal” for agreements, and intergovernmental agreements should be revisited, reauthorized, and re-executed more frequently, given changing conditions at the local level. Furthermore, automatic renewal of *Cooperation Agreements* and *Joint Agreements* was not provided for, or mentioned, in the HCDA of 1974, as amended, or CDBG regulations at [24 CFR 570.307](#).

HUD is modifying its “auto-renewal” policy for *Cooperation Agreements* and *Joint Agreements* to re-align the Urban County qualification process more closely with the intent of the HCDA of 1974, as amended. HUD is retaining “auto-renewal” of agreements under a new policy, after careful consideration, to allow flexibility for large Urban Counties that may have many Participating UGLGs (and therefore, many *Cooperation Agreements* to reauthorize and re-execute).

3.7.3 HUD’s new “auto-renewal” policy for Urban County agreements

HUD’s new policy aligns with HUD’s original intent by limiting the time an “auto-renewal” agreement may be in effect. Urban Counties and participating governments may also no longer use amendments to extend their agreements for an indefinite amount of time without reauthorizing and re-executing the entire *Cooperation* or *Joint Agreement*.

Per the new policy, *Auto-Renewal Cooperation Agreements* and *Joint Agreements* may only “automatically renew” for **one three-year qualification period** after the initial three-year qualification period. This means an “auto-renewal” agreement may only be in effect for a total of six fiscal years (two qualification periods). After that six-year period, the Urban County and Participating UGLG (or the Metropolitan City for *Joint Agreements*) must reauthorize and re-execute a new agreement. New *Auto-Renewal Agreements*, under the new policy, also must list the fiscal years they are effective, with an end date for the agreements.

To align this Notice with the new “auto-renewal” policy, HUD:

- modified the definitions of *Auto-Renewal Cooperation Agreement* or *Joint Agreement* and *Amendment* (Attachment 2);
- modified the “auto-renewal” and “amendment” language in HUD’s list of requirements and sample language for *Cooperation Agreements* (Attachment 3); and
- ensured that HUD’s new list of requirements and sample language for *Joint Agreements* (Attachment 4) reflects this policy.

3.7.4 Applicability, effective date, and phase-in of new “auto-renewal” policy

Given the significant change for Urban Counties, HUD will phase in this new “auto-renewal” policy. The policy will take effect for the FY 2027 Urban County qualification process (not the FY 2026 qualification process). Urban Counties must comply with the new “auto-renewal” policy when they requalify (beginning with Urban Counties requalifying in FY 2027 for FYs 2028–2030), but Urban Counties are not required to comply before their next requalification year or to amend their current *Auto-Renewal Cooperation or Joint Agreements*.

Many Urban Counties requalify in FY 2026 (122), which is more than sixty percent of currently qualified Urban Counties. **The (122) Urban Counties requalifying in FY 2026 (for the FYs 2027–2029 qualification period) are not required to comply with the new “auto-renewal” policy until their next requalification year (FY 2029).** They may “auto-renew” their agreements for one final three-year qualification period, following the procedures they have used in the past. These Urban Counties also do not need to amend their agreements at any time during FYs 2027–2029 for the purpose of complying with HUD’s new “auto-renewal” policy.

3.7.5 Auto-Renewal Emergency Exception

To enable flexibility, HUD is also including an “emergency exception” to the new “auto-renewal” policy that may be granted by CPD field offices on a one-time, case-by-case basis. If an Urban County has *Auto-Renewal Cooperation Agreements* or *Joint Agreements* that the Urban County is due to reauthorize and re-execute (e.g., after six years), but the Urban County experiences an emergency preventing them from renewing their agreements, HUD may permit their agreements to “auto-renew” for one additional three-year Urban County qualification period due to the emergency (maximum total of nine years for the agreement(s) to be in place).

If an Urban County is in this situation, the Urban County must submit a written request to their CPD field office. This request must explain why their county needs the emergency exception and why they cannot renew their agreement(s) for the next three-year Urban County qualification period. For example, their Urban County experienced a natural disaster that impacted the county’s operations during the Urban County qualification process (which runs through the spring and summer months and ends September 30). CPD field offices will consider auto-renewal emergency exception requests on a case-by-case basis. CPD field offices must review and approve or deny the request within 15 days and must notify the *CPD Entitlement Communities Division* of this decision at urbancounties@hud.gov.

SECTION 4: REQUIREMENTS, DEADLINES, URBAN COUNTY LISTS, AND OTHER GUIDANCE

4.1 What are all my county’s requirements to qualify and receive CDBG funding as an Urban County?

1. Meet a population threshold during Urban County qualification. [[GO TO ATTACHMENT I](#)]
2. Possess “essential powers” (legal authority) to carry out “essential community development and housing assistance activities” in unincorporated areas AND in Participating UGLGs or joint recipient Metropolitan Cities. [[GO TO SECTION 2.7](#)]

NOTE: For counties that do not have state-granted authority to carry out these types of activities in incorporated areas, they must execute *Cooperation Agreements* (with Participating UGLGs) or *Joint Agreements* (with Metropolitan Cities). This applies to most counties in the United States.

3. Meet all notification requirements for UGLGs and Metropolitan Cities by sending *Urban County Participation Decision Letters* to UGLGs and Metropolitan Cities and providing all outgoing and response letters. [[GO TO SECTION 3.3](#)]
4. Hold fully authorized and executed *Cooperation Agreements* that meet HUD requirements and/or *Joint Agreements* that meet all HUD requirements (legally sufficient intergovernmental agreements), along with submitting a valid *County Counsel Legal Opinion Letter*. [[GO TO SECTION 3](#)]
5. Incorporate new HUD requirements into *Cooperation Agreements* and/or *Joint Agreements* by revising, reauthorizing, and re-executing agreements when requalifying as an Urban County (if necessary). [[GO TO SECTION 3](#)]
6. Submit all required documentation in your Urban County qualification package to your CPD field office and meet all *Urban County Qualification Deadlines* during the Urban County qualification process. [[GO TO SECTION 3](#) and [GO TO SECTION 4.3](#)]
7. Submit a Consolidated Plan and Action Plans as required by 24 CFR Part 91 to receive a CDBG grant each year.¹⁰ By statute, your county must submit its Consolidated Plan and Annual Action Plans by August 16 each year. Failure to do so will result in 1) a loss of CDBG funds for that program year and 2) termination of your qualification as an Urban County—unless Congress extends the August 16 deadline by statute.

NOTE: If your Urban County enters into a *Joint Agreement* with one or more Metropolitan Cities, your county must submit a Consolidated Plan covering the county and the Metropolitan City(ies).

¹⁰ See [Notice CPD-26-05](#) (or any subsequent updated “Consolidated Plan Notice”) for guidance on submitting Consolidated Plans and Annual Action Plans.

4.2 What requirements apply to my Urban County “qualification scenario” this year?

Current or potential new Urban Counties are in one of three Urban County “qualification scenarios” each year. [GO TO ATTACHMENT 6](#) to view the Urban County Qualification Scenarios Comparison Table, which compares requirements for the three scenarios below:

1. *Requalifying This Year (Requalifiers)*: Currently qualified Urban Counties requalifying this fiscal year for the subsequent three fiscal years. *Requalifiers* must go through the full qualification process. This includes sending *Urban County Participation Decision Letters*, reauthorizing and re-executing *Cooperation Agreements* and/or *Joint Agreements* (if necessary), preparing an updated *County Counsel Legal Opinion Letter* (if necessary), and submitting their qualification package to their CPD field office.
2. *Requalifying Next Year or Year After Next*: Currently qualified Urban Counties that are not requalifying this year because they are in years 1–2 of their current qualification period. These Urban Counties will requalify next year or the year after next. The only action item for these counties (which is optional) is to invite *Nonparticipating UGLGs* to join their Urban County for the remainder of their current qualification period.
3. *First-Time Qualifiers*: Counties seeking Urban County qualification *for the first time*. These potential new Urban Counties must go through the full qualification process. Because they are new, they also have two unique requirements: 1) OGC Field or Regional Counsel must complete the “Determination of Essential Powers” for their county and 2) they must submit their qualification package to their CPD field office and the CPD Entitlement Communities Division.¹¹

NOTE: [GO TO SECTION 2.7](#) for more information on HUD’s “Determination of Essential Powers” and [GO TO SECTION 4.5](#) for guidance for *First-Time Qualifiers* on Urban County qualification.

4.3 What are the *Urban County Qualification Deadlines* and where do I find them?

Deadlines for actions that qualifying Urban Counties, UGLGs, and Metropolitan Cities must complete for Urban County qualification each year. These deadlines guide Urban Counties through the qualification process, ensuring that counties remain on track and meet iterative milestones to successfully qualify as an Urban County by September 30 (HOME program statutory deadline). HUD will publish updated *Urban County Qualification Deadlines* annually on the HUD Exchange Urban Counties website.

4.3.1 How to request extensions for *Urban County Qualification Deadlines*

If your Urban County needs an extension for any of the *Urban County Qualification Deadlines* published on the HUD Exchange Urban Counties website, please reach out to your CPD field office. CPD field offices will review your request and may approve

¹¹ Qualification packages from *First-Time Qualifiers* must be emailed to the CPD Entitlement Communities Division at urbancounties@hud.gov. The reason *First-Time Qualifiers* must submit their package to HUD Headquarters is that these counties and their partnering local governments tend to have more questions regarding Urban County qualification and may need additional guidance. In addition, it is helpful for HUD headquarters to track potential new Urban Counties as they progress towards becoming a new Urban County.

an extension, taking into consideration your Urban County’s overall progress towards qualification and the HOME program’s September 30 statutory deadline.

NOTE: CPD field offices may also contact the CPD Entitlement Communities Division, as needed, to discuss whether an extension may be granted. [GO TO SECTION 4.8](#) for more guidance on deadline extensions and the HOME program’s September 30 statutory deadline.

4.4 What are the *Urban County Lists* and where do I find them?

The *Urban County Lists* are seven lists of counties prepared annually by CPD-OTIE based on updated data from the U.S. Census Bureau. These lists are the authoritative data source on current and potential new Urban Counties. Each year, HUD will publish the seven updated *Urban County Lists* below on the HUD Exchange Urban Counties website:

1. All Currently Qualified Urban Counties
2. Urban Counties Requalifying in [This Fiscal Year]*
3. Urban Counties Requalifying in [Next Fiscal Year]*
4. Urban Counties Requalifying in [Fiscal Year After Next]*
5. Urban Counties Qualified through [Next Fiscal Year or Fiscal Year After Next]* That Contain Nonparticipating UGLGs
6. Counties That May Qualify if Metropolitan Cities Relinquished Entitlement Status
7. Counties Previously Determined Eligible but NOT Accepting Urban County Status

* NOTE: On the website, HUD will include the actual fiscal years in the names for Lists 2–5.

4.5 Guidance for First-Time Qualifiers

This section provides guidance for *First-Time Qualifiers* because these counties do not have previous experience with the qualification process and may have more questions.

4.5.1 Where to start as a First-Time Qualifier

Your first step is to contact your [CPD field office](#) as soon as possible to let them know your county is seeking to qualify. It is helpful for your CPD field office to know your county is seeking to qualify, so they can guide you throughout the process and answer any questions. HUD recommends that *First-Time Qualifiers* read this Notice in its entirety to become more familiar with Urban County terms ([GO TO ATTACHMENT 2](#)) and the qualification process ([GO TO SECTION 2](#)).

4.5.2 Determination of Essential Powers as a First-Time Qualifier

After you notify your CPD field office of your county’s intent to seek Urban County qualification, your CPD field office will request OGC Field or Regional Counsel complete a Determination of Essential Powers for your county. OGC Field or Regional Counsel will complete this determination and provide your CPD field office with the results. Your CPD field office will then provide this determination to your county. [GO TO SECTION 2.7](#) for more information about this process.

4.5.3 Submitting your qualification package as a First-Time Qualifier

You should submit your qualification documentation to your CPD field office via email to a “CPD Representative.” Contact your CPD field office to identify the specific staff member (CPD Representative) at your CPD field office to email your qualification package. Because your county is a *First-Time Qualifier*, you must also email your qualification package to the CPD Entitlement Communities Division at urbancounties@hud.gov.

4.6 Guidance about potential new Metropolitan Cities

At some point, a Participating UGLG in your Urban County may become eligible to be a Metropolitan City (CDBG Entitlement) for the first time due to population growth that pushes their population over 50,000.¹² If this occurs in your Urban County, the Participating UGLG must remain part of your Urban County until your current Urban County qualification period ends, per [SECTION 2.6](#). They cannot withdraw from your Urban County to become a Metropolitan City (CDBG Entitlement) during the three-year qualification period.

A potential new Metropolitan City has four options to choose from at the time your Urban County is requalifying for the upcoming three-year qualification period:

- Option 1: Accept its CDBG Entitlement status and administer its own CDBG program as an independent Metropolitan City (not participate in your Urban County for the upcoming three-year qualification period).
- Option 2: Accept its CDBG Entitlement status but continue to participate with your Urban County as a Metropolitan City under a *Joint Agreement*.
- Option 3: Defer its CDBG Entitlement status (not accept it) and continue to participate in your Urban County under a *Cooperation Agreement* as a Participating UGLG.
- Option 4: Defer its CDBG Entitlement status (not accept it) and opt out of your Urban County to become a Nonparticipating UGLG. They may then choose to seek State CDBG program funding as a Non-Entitlement UGLG OR not participate in the CDBG program altogether.

¹² Under Section 102(a)(4) of the HCDA of 1974, as amended, a city within a metropolitan area may qualify as a Metropolitan City if it has a population of 50,000 or more. For this determination, HUD relies on population data compiled and published by the U.S. Census Bureau, including data from the latest decennial census or the American Community Survey, as applicable, together with applicable metropolitan area delineations published by the Office of Management and Budget (OMB). See [42 U.S.C. 5302\(a\)\(4\)](#), [24 CFR 570.3](#), and [24 CFR 570.4\(c\)](#).

4.6.1 When HUD expects the list of potential new Metropolitan Cities to be available

The U.S. Census Bureau will provide HUD with updated Census data on or around July 1 each year.¹³ This will include a list of newly eligible potential Metropolitan Cities (in addition to previously eligible potential Metropolitan Cities).

The CPD Entitlement Communities Division will provide this information to CPD field offices during July or August in the *Potential New Entitlements Memo*. CPD field offices must notify each potential new Metropolitan City via letter and give them the opportunity to accept or defer their CDBG Entitlement status. Generally, HUD offers potential new Metropolitan Cities 30 days to notify their local CPD field office of their decision on accepting or deferring CDBG Entitlement status.

4.6.2 Guidance on how to proceed with the Urban County qualification process for Urban Counties with UGLGs who may become Metropolitan Cities

The list of potential new Metropolitan Cities becomes available late in the Urban County qualification process. This can result in delays completing Urban County qualification, particularly if an UGLG decides to accept its CDBG Entitlement status (become a Metropolitan City) after it agreed to participate in your Urban County as a Participating UGLG for the next qualification period. HUD cannot avoid this timing conflict but has identified two options for dealing with this.

Option 1: Negotiate a delayed schedule with the UGLG who may become a Metropolitan City (potential new CDBG Entitlement)

This is HUD's preferred option. You can negotiate a schedule with the UGLG to provide extra time to receive notification from HUD of their CDBG Entitlement eligibility. If the UGLG ends up not being eligible to become a Metropolitan City (or becomes eligible and defers its CDBG Entitlement status), then your Urban County can still execute a *Cooperation Agreement* with the UGLG and meet the *Urban County Qualification Deadlines*.

Option 2: Include a void clause in the *Cooperation Agreement* with the UGLG who may become a Metropolitan City (potential new CDBG Entitlement)

You can include a void clause in the *Cooperation Agreement* with the UGLG which states the agreement will be voided if the UGLG is notified by HUD of its eligibility to become a Metropolitan City and chooses to accept its CDBG Entitlement status. This is the best option if your county believes that delaying executing a *Cooperation Agreement* will prevent your county from meeting the *Urban County Qualification Deadlines*. If you include a void clause in a *Cooperation Agreement*, it must state that if the agreement is not voided, then the UGLG must participate in your Urban County for the entire three-year qualification period.

¹³ Each summer, the U.S. Census Bureau releases new Population and Housing Unit Estimates for incorporated areas (cities and counties).

4.7 Can I align my Urban County and HOME program qualification periods?

Yes. If your Urban County qualification and HOME consortium qualification periods are not synced, you may align these periods, per [24 CFR 92.101\(e\)](#). The Urban County (CDBG) and HOME consortia qualification periods are both three years. Your HOME consortium may choose a shorter qualification period than three years (one or two years) to sync your HOME qualification period with your Urban County qualification period moving forward. All your HOME consortium members must also have the same program year start date.

4.8 Guidance on Urban County qualification deadline extensions and the HOME program's September 30 statutory deadline

The Urban County qualification schedule is coordinated with the schedule for HOME consortia qualification because the HOME program must use the identical CDBG Urban County configurations for determining HOME formula allocations.¹⁴ The *Urban County Qualification Deadlines* will typically end by September 20 each year. This provides HUD with enough time, before the September 30 deadline for the next FY's funding under the HOME Program, to notify counties that they qualify as Urban Counties under the CDBG Program. To avoid any issues with the HOME program's September 30 statutory deadline, your county must complete all steps in the Urban County qualification process by September 20 (at the latest).

In the past, Urban Counties have requested extensions to submit required documents because some Participating UGLGs' governing bodies don't meet during the summer. Although flexibility exists to allow extensions in unusual situations, HUD will not grant any extensions past September 15 each year. Urban Counties must consider the meeting schedules of Participating UGLGs' governing bodies during the requalification process. HUD encourages Urban Counties to try to execute their *Cooperation Agreements* and *Joint Agreements* before summer recess begins to avoid issues.

Many Urban Counties are simultaneously completing HOME consortia qualification and Urban County qualification. **The HOME consortia qualification process must be completed by the statutory deadline of September 30 to receive a HOME formula allocation.** If the Urban County qualification process is not completed by September 30 for Urban Counties that are participating jurisdictions (PJs) in the HOME program, including consortia, the PJ cannot receive a HOME allocation.¹⁵

¹⁴ This is due to HOME program statutory requirements (42 USC 12747(b)(1)(A)) and regulatory requirements ([24 CFR 92.50\(c\)](#)) for HOME formula allocation. The HOME program formula allocation must be based on data for jurisdictions that make up the Urban County as of September 30 of the prior fiscal year (FY). HUD can't allocate HOME program funding to Urban Counties using inaccurate data.

¹⁵ 42 U.S.C. 12747(b)(3)

4.9 Guidance for counties that may qualify as an Urban County if a Metropolitan City relinquishes its CDBG Entitlement status

Your county may be in a situation where it could qualify as an Urban County, but only if a Metropolitan City (or Cities) in your county relinquishes their CDBG Entitlement status. The list of Urban Counties fitting this description will be published each year on the HUD Exchange Urban Counties website (List 6). If a Metropolitan City is willing to relinquish its CDBG Entitlement status, they may participate in your Urban County as a Participating UGLG in a *Cooperation Agreement* (like other Participating UGLGs who are not eligible to become CDBG Entitlements).

If your county wants to pursue Urban County qualification because a Metropolitan City in your county is willing to relinquish its CDBG Entitlement status, please notify your CPD field office no later than two weeks after receiving the Metropolitan City's notification that it is relinquishing its CDBG Entitlement status. Your county must provide your CPD field office with: 1) a letter from the Metropolitan City stating its intent to relinquish its CDBG Entitlement status and 2) a letter from your county stating your intent to qualify as an Urban County. CPD field offices must send these documents to the CPD Entitlement Communities Division (urbancounties@hud.gov) immediately after receiving them.

4.10 Guidance for Unique Grantee Situations

4.10.1 When an UGLG dissolves, unincorporates, or merges into another UGLG

At some point, an UGLG in your Urban County may dissolve, unincorporate, or merge with another UGLG. The bullets below provide guidance on how this may affect your Urban County based on three different scenarios that may occur:

- Assuming your Urban County has “essential powers” in unincorporated areas (as Urban Counties must have), the dissolved UGLG (which is now an unincorporated area) will automatically become part of your Urban County.
- If the dissolved UGLG merges into another Participating UGLG in your Urban County, then the newly expanded Participating UGLG will remain a participant in your Urban County. If this occurs, a revised *Cooperation Agreement* reflecting the expanded jurisdiction of the Participating UGLG must be submitted to your local CPD field office and OGC Field or Regional Counsel for review.
- If the dissolved UGLG merges with a Nonparticipating UGLG in your Urban County, the dissolved UGLG is still considered part of your Urban County until your Urban County requalifies.

The U.S. Census Bureau's designation of a former incorporated UGLG as dissolved, or a former unincorporated UGLG as incorporated, is important because Section 102(b) of the HCDA requires the definitions in Section 102(a) (*City, Metropolitan*

City, and Urban County) to be based on the most recent data compiled by the U.S. Census Bureau.¹⁶ The bullets below provide guidance on how this affects your Urban County based on two different scenarios that may occur:

- If your Urban County is requalifying this year or the following year, and the UGLG is recognized by Census as dissolved, the former UGLG will be considered a part of the unincorporated area of your Urban County. In that instance, CDBG funds may be used for activities in the former UGLG, and its residents may benefit from CDBG-funded activities.
- If your Urban County is requalifying this year, and the UGLG is not recognized as dissolved by Census (although dissolution has occurred), the UGLG will become part of your Urban County, as the UGLG has legally ceased to exist, regardless of being recognized as such by Census.

4.10.2 Qualification of New York Towns as Metropolitan Cities (CDBG Entitlements)

In the State of New York, there are eight towns that can qualify as Metropolitan Cities if the town secures the participation of all the incorporated villages in their boundaries to attain Metropolitan City status. These eight towns are in existing Urban Counties and are eligible to be Metropolitan Cities but have not taken steps to qualify as Metropolitan Cities: Greenburgh, Hempstead, North Hempstead, Oyster Bay, Clarkstown, Ramapo, Smithtown, and Southampton.

These eight towns have decided to participate in their respective Urban Counties' CDBG programs as Participating UGLGs. But when their respective Urban Counties requalify, these eight towns may decide to become Metropolitan Cities and administer their own CDBG programs. This means that the towns would leave the Urban Counties in which they are currently Participating UGLGs. If a New York town decides to become a Metropolitan City and administer its own CDBG Entitlement program, they must take the following steps:

1. The New York town should decide before the Urban County requalification process starts whether it will accept its CDBG Entitlement status. HUD's experience has shown that UGLGs need plenty of time to complete all the necessary processes, so HUD recommends that this decision-making process should start the year before the requalification year. The town can't qualify as a Metropolitan City unless it secures participation of all the villages in its boundaries by executing a Cooperation Agreement with those villages. Depending on local circumstances, it may take several months to notify every village by letter of its intent to become a separate CDBG Entitlement community and to secure the participation of all villages.

¹⁶ HUD uses a variety of U.S. Census data sets for the CDBG program, including: Population and Housing Unit Estimates (updated annually), the American Community Survey 5-Year Survey (updated annually), and the Decennial Census (updated every ten years). HUD also uses OMB data as well.

2. The Urban County must notify all Participating UGLGs by letter (typically in April) that they may choose to opt out of the Urban County's CDBG program. The UGLGs must notify the Urban Counties by letter of their decisions (typically in June). The New York town must respond to the Urban County's correspondence by that date. If the town has an *Auto-Renewal Cooperation Agreement* with the Urban County, it must notify the Urban County (typically by mid-June) that it is terminating the *Cooperation Agreement*.
3. The Urban County must be notified by the deadline set in the *Urban County Qualification Deadlines* on the HUD Exchange Urban Counties website so that it may complete the requalification process on time. Failure to meet the deadlines may result in the New York town having to remain part of the Urban County for the next three-year qualification period. If one of these New York towns notifies its Urban County it is leaving, but does not sign up all the villages, then the town (and villages that have signed on to the town's decision to seek CDBG Entitlement status) may be excluded from the Urban County. But the town (and the villages that signed on) can't receive CDBG funding as a CDBG Entitlement grantee because the town did not qualify as a Metropolitan City due to failing to sign up all its villages.

ATTACHMENTS

Attachment 1: Statutory Requirements to be Qualified as an Urban County

Section 102(a)(6)(A) of the Housing and Community Development Act of 1974 (HCDA) (42 U.S.C. 5301 et seq.) defines Urban Counties. In general, an Urban County must:

a) have authority under state law to carry out “essential community development and housing assistance activities” in their unincorporated areas [Section 102(a)(6)(A)(i) of HCDA]

AND

b) meet one of these three population thresholds:

1. Have a total combined population of 200,000 or more in their unincorporated areas and Participating UGLGs. [Section 102(a)(6)(A)(i)(ii)(I) of HCDA]
2. Have a total combined population of at least 100,000 (but fewer than 200,000) in their unincorporated areas and Participating UGLGs, if those areas (combined) include the majority of low- and moderate-income people in the county. HUD calls this the “low- and moderate-income preponderance test.” [Section 102(a)(6)(A)(i)(ii)(I) of HCDA]
 - CPD-OTIE performs calculations to determine if a county can meet the low- and moderate-income preponderance test if it does not meet the first population threshold above or third population threshold below.
 - The county itself (overall) still must have a minimum population of 200,000, excluding its Metropolitan Cities. This means that the total population of the county in unincorporated areas, Participating UGLGs, *and any Nonparticipating UGLGs* is greater than 200,000.
3. Have a population of 100,000 or more, a population density of at least 5,000 persons per square mile, and not have any incorporated places (UGLGs) as defined by the U.S. Census Bureau. [Section 102(a)(6)(A)(i)(ii)(II) of HCDA]

NOTE 1: The population of Metropolitan Cities must be excluded from all population threshold calculations, including when a Metropolitan City executes a *Joint Agreement* with an Urban County.

NOTE 2: Some counties previously qualified as Urban Counties under Section 102(a)(6)(C) and (D) of the HCDA. No Urban Counties currently qualify under this authority.

NOTE 3: Due to a special condition in the HCDA of 1974, as amended, any county that was classified as an Urban County for FY 1999 is eligible to requalify as an Urban County regardless of if the county can meet one of the Urban County population thresholds. Any county that qualified as an Urban County after FY 1999 will remain an Urban County if it meets Section 102(a)(6)(A) of the Housing and Community Development Act of 1974.

Attachment 2: Definitions of Urban County Terms

NOTE: HUD *italicized* terms, within each definition, that are also defined in Attachment 2 (except for the term *Urban County* or *Urban Counties* due to the frequency of their use).

Amendment: A change, correction, clarification, or deletion to a *Cooperation Agreement* or *Joint Agreement*. An amendment may be necessary due to shifting requirements at the federal, state, or local government level that happen during an Urban County’s qualification period.

Auto-Renewal Cooperation Agreement or Joint Agreement: A *Cooperation Agreement* or *Joint Agreement* containing an “auto-renewal” provision stating the agreement will automatically renew for one additional three-year qualification period after the initial three-year qualification period (enabling the agreement to be in effect for a total of six years). The Urban County still must send *Urban County Participation Decision Letters* to all UGLGs (*Participating* and *Nonparticipating UGLGs*) and any *Metropolitan Cities* in *Joint Agreements* every requalification year as they retain the option to opt out of an Urban County’s CDBG program each requalification year. The Urban County may make an *Amendment* to their auto-renewal agreements at any time (any year of their qualification period), if necessary, and when they are requalifying for the one additional three-year qualification period permitted under HUD’s auto-renewal policy for Urban County agreements.

Auto-Renewal Emergency Exception: An exception, allowed by a CPD field office, to HUD’s policy on *Auto-Renewal Cooperation or Joint Agreements*. This exception enables “auto-renewal” of the agreement for one more three-year Urban County qualification period (on a one-time basis) due to an emergency which prevents the Urban County, *Participating UGLGs*, and/or *Metropolitan Cities* from reauthorizing and re-executing their *Cooperation* and/or *Joint Agreements*. The Urban County must submit a written request to their CPD field office explaining why they need this exception and why they cannot fully renew their agreement(s) for their next qualification period. For example, their Urban County experienced a natural disaster impacting the county’s operations during the *Urban County Qualification Process* (runs through the spring and summer months and ends September 30). The CPD field office must review and approve or deny the request within 15 days and notify the *CPD Entitlement Communities Division* at urbancounties@hud.gov.

CDBG Entitlement Communities (“CDBG Entitlements”): Jurisdictions which qualify to directly receive annual formula funding under the *CDBG Entitlement Program*. There are two types of CDBG Entitlement Communities: 1) cities designated as *Metropolitan Cities* (which includes *Principal Cities*) and 2) qualified Urban Counties.

CDBG Entitlement Program: HUD grant program which provides annual CDBG formula grants to *CDBG Entitlement Communities* (*Metropolitan Cities* and Urban Counties) to develop viable urban communities, provide decent housing and suitable living environments, and expand economic opportunities for low- and moderate-income people.

Chief Executive Officer: An elected official, or legally designated official, who has the primary responsibility for the conduct of governmental affairs in a jurisdiction. Examples include mayor, county executive, board chairperson, or governor. Refer to [24 CFR 570.3](#) for official definition.

Cooperation Agreement: *Intergovernmental Agreement (IGA)* between an Urban County and a *Participating UGLG*, which explains roles and responsibilities, restrictions, CDBG program requirements, and enables the county to undertake, or assist in undertaking, “essential community development and housing assistance activities” in the UGLG’s jurisdiction with the UGLG’s “cooperation.” Cooperation Agreements are required for counties that do not have “essential powers” in UGLGS (which is most counties in the U.S.). However, HUD also encourages counties that are granted “essential powers” countywide (including in UGLGs) to also execute Cooperation Agreements with their *Participating UGLGs*. Per [24 CFR 570.503](#), minimally, there must be an agreement between an Urban County and its *Participating UGLGs* that meets the requirements for subrecipient agreements. [24 CFR 570.501\(b\)](#) instructs Urban Counties to apply “the same requirements as are applicable to subrecipients” to *Participating UGLGs* in their Urban County.

County Counsel Legal Opinion Letter: A legal opinion letter prepared by an Urban County’s chief legal official (e.g., County Counsel or OGC) which states that the terms and provisions of the Urban County’s agreements with *Participating UGLGs (Cooperation Agreements)* and agreements with *Metropolitan Cities (Joint Agreements)* are authorized by state and local law and that they provide full legal authority for the Urban County to undertake, or assist in undertaking, essential community development and housing assistance activities in *UGLGs*.

CPD: HUD’s Office of Community Planning and Development. CPD is responsible for administering all CPD funding, such as the five annual formula grant programs: 1) CDBG, 2) HOME Investment Partnerships (HOME), 3) Housing Trust Fund (HTF), 4) Emergency Solutions Grants (ESG), and 5) Housing Opportunities for Persons With AIDS (HOPWA); other homelessness grants (such as Continuum of Care [CoC]); and Community Project Funding (CPF) grants (congressionally directed grants).

CPD Entitlement Communities Division: The CPD division at HUD Headquarters, under the *CPD Office of Block Grant Assistance (OBGA)*, that administers the *CDBG Entitlement Program* and prepares this Urban County Notice. This division can address any questions about Urban County qualification. The division can be reached at urbancounties@hud.gov.

CPD Office of Block Grant Assistance (CPD-OBGA): The CPD office containing the *CPD Entitlement Communities Division*. OBGA is the main program office for the CDBG program.

CPD Office of Field Operations (CPD-OFO): The CPD office responsible for overseeing the administration of CPD programs and policies across the Nation. CPD-OFO is made up of a front office at HUD Headquarters and the CPD field office structure across the Nation, including ten regional offices and more than 40 field offices across HUD’s ten regions.

CPD Office of Technology, Innovation, and Evaluation (CPD-OTIE): The CPD office at HUD Headquarters that manages the *GMP-R Urban County Module* used for Urban County qualification. CPD-OTIE also manages the CPD annual formula allocation process. CPD-OTIE was formerly known as the Systems Development and Evaluation Division (SDED).

Determination of Essential Powers: A legal determination made by HUD about the legal authority of a county to carry out “essential community development and housing assistance activities” in its 1) unincorporated areas and 2) *UGLGs* (without consent by UGLG governing bodies). The “essential community development and housing assistance activities” include activities such as acquiring property for reuse as low- and moderate-income housing, directly rehabilitating or providing financial assistance for housing, supporting low-rent housing activities, disposing of land to private developers for redevelopment, and condemning property for low-income housing. To be qualified as an Urban County, the county must have *Essential Powers* in its unincorporated areas, per Section 102(a)(6)(A)(I) of the *HCDA of 1974*. HUD typically makes the Determination of Essential Powers the first time an Urban County qualifies.

NOTE: Essential Powers are granted (or not granted) by state governments under state laws. Most states only grant counties *Essential Powers* in *Unincorporated Areas*, and not in their *UGLGs* because *UGLGs* are granted authority over their jurisdiction. Because most states don’t grant their counties *Essential Powers* in *UGLGs*, *Cooperation Agreements* are generally required for all *Participating UGLGs* that wish to join an Urban County. *Joint Agreements* are required between Urban Counties and *Metropolitan Cities*.

Essential Powers: The legal authority of counties, granted by their state, to carry out “essential community development and housing assistance activities” within an area or jurisdiction. Most counties only have *Essential Powers* in *Unincorporated Areas*, but some states grant counties *Essential Powers* in *Incorporated Areas* or *UGLGs*.

First-Time Qualifiers: Counties seeking qualification as an Urban County for the first time.

Grants Management Process System (GMP-R) Urban County Module: The module in the GMP-R system that is used by CPD field and headquarters offices to track and update *Urban County Configurations*. The module is the official system of record for tracking program participation decisions by all *UGLGs* and *Metropolitan Cities* located within Urban Counties.

HCDA of 1974: The Housing and Community Development Act (HCDA) of 1974, as amended, is the statute (or law) which created the Community Development Block Grant (CDBG) program (and Urban Counties).

HOME Consortium: A group of contiguous *UGLGs* that are jointly participating in the HOME Investment Partnerships (HOME) Program as a participating jurisdiction (PJ). HOME Consortia provide a method for local governments, that would not otherwise qualify for HOME funding, to join with other contiguous *UGLGs* to directly participate in the HOME program.

Incorporated Areas: Areas in a county that have been incorporated as an official entity under state law. These areas (cities, towns, townships, villages, and boroughs) have a legally defined boundary and an active, functioning government. Incorporated areas are also interchangeably called *units of general local government (UGLGs)*.

Intergovernmental Agreements (IGAs): Legally binding contracts or formal partnerships between two or more governmental entities (e.g., cities and counties) to cooperate on issues of mutual concern, share resources, or provide services. There are two types of IGAs for the

purposes of the CDBG program and Urban Counties: 1) *Cooperation Agreements* between Urban Counties and *Participating UGLGs* and 2) *Joint Agreements* between Urban Counties and *Metropolitan Cities*. Both types of IGAs identify conditions for how the two governments (the county and the city) will work together. HUD calls these IGAs by different names because they involve different types of governments partnering with an Urban County: Non-Entitlement UGLGs for *Cooperation Agreements* and *Metropolitan Cities (CDBG Entitlements)* for *Joint Agreements*. Both types of agreements must provide full legal authority for an Urban County to undertake, or assist in undertaking, essential community development and housing assistance activities in its *Incorporated Areas* or *UGLGs*.

Joint Agreement: *Intergovernmental Agreement (IGA)* between an Urban County and *Metropolitan City* within the county boundaries, which explains roles and responsibilities, restrictions, CDBG program requirements, and enables the county to undertake, or assist in undertaking, “essential community development and housing assistance activities” in the *Metropolitan City’s* jurisdiction. A Joint Agreement allows an Urban County to manage and administer the *Metropolitan City’s* CDBG grant program, in addition to administering the Urban County’s CDBG grant program. In a Joint Agreement, both the Urban County and the *Metropolitan City* are considered *Joint Recipients*. The *Metropolitan City’s* CDBG grant funding must be spent in the jurisdiction of the *Metropolitan City*.

Joint Recipient: An Urban County or *Metropolitan City* that is part of a *Joint Agreement*. Under the agreement, the Urban County administers the CDBG grant program for the *Metropolitan City*, in addition to administering its Urban County CDBG grant program.

Joint Request: The request letter submitted by a *Metropolitan City* and Urban County to their CPD field office to request approval for the Urban County to administer the *Metropolitan City’s* CDBG grant program on their behalf. Refer to [24 CFR 570.308](#) for regulatory guidance on *Joint Requests*, *Joint Recipients*, and *Joint Agreements*. Joint Requests must be approved by the CPD field office for the grantees to proceed with executing a *Joint Agreement*. Joint Requests will be deemed approved by HUD after 30 days unless HUD notifies the *Metropolitan City* and Urban County of its disapproval and the reasons for disapproval. Importantly, Joint Requests must only be considered and submitted at the time the county is qualifying as an Urban County. Joint Requests approved by HUD remain effective for the period for which the county is qualified as an Urban County (three years). An Urban County may be joined by more than one *Metropolitan City*; however, a *Metropolitan City* located in more than one Urban County (split across multiple Urban Counties), may only be included in one Urban County.

Letter: A signed letter on official city or county government letterhead. An attached signed PDF letter on official city or county government letterhead may be sent via email. Digital signatures are allowed if the digital signature a) indicates that the person completing the digital signature is the *Chief Executive Officer* (or designee) and b) contains a date and time stamp for the signature.

Metropolitan City: City within a metropolitan area which is the *Principal City* of such area, as defined by the Office of Management and Budget (OMB), or any other city, within

a metropolitan area, which has a population of 50,000 or more. Any city that was classified as a Metropolitan City for at least two years shall remain classified as a Metropolitan City. Metropolitan Cities are eligible to directly receive annual CDBG formula grant funding, which is why they are considered *CDBG Entitlements*.

Non-Entitlement Area: An *UGLG* which is not a *Metropolitan City* or part of an *Urban County* and does not include Indian Tribes. Non-Entitlement Areas are *UGLGs* (smaller cities and lower-population counties that cannot qualify as Urban Counties). Non-Entitlement Areas are eligible to seek *State CDBG Program* funding and that process varies based on each state’s “method of distribution.”

Nonparticipating UGLGs: *UGLGs* in an Urban County that have chosen not to participate in the Urban County’s CDBG program. Nonparticipating *UGLGs* can join an Urban County each year during the *Urban County Qualification Process*. If a Nonparticipating *UGLG* wishes to join an Urban County, in general they must authorize and execute a *Cooperation Agreement* with the Urban County (unless the county has *Essential Powers* in *UGLGs*). Nonparticipating *UGLGs* may also be considered *Non-Entitlement Areas*. Nonparticipating *UGLGs* may seek *State CDBG Program* funding (process varies based on each state’s “method of distribution”).

OGC Field or Regional Counsel: Attorneys in HUD’s field and regional offices. HUD’s Office of General Counsel (OGC) provides legal opinions, advice, and services for all HUD programs and activities. During Urban County qualification, OGC Field or Regional Counsel must review *Cooperation Agreements*, *Joint Agreements*, and *County Counsel Legal Opinion Letters* and certify that the *Cooperation* and/or *Joint Agreements* are legally sufficient for the purposes of Urban County qualification and the CDBG program. OGC Field or Regional Counsel also complete the *Determination of Essential Powers*.

Participating UGLGs: *UGLGs* in an Urban County that have chosen to participate in the Urban County’s CDBG program. An *UGLG* can join an Urban County any year of the *Urban County’s Qualification Period* (during the spring and summer months when the *Urban County Qualification Process* occurs). But once an *UGLG* joins an Urban County as a Participating *UGLG*, they must remain part of the Urban County for the remainder of that *Urban County Qualification Period*. Essentially, they are locked into that CDBG program participation decision for 1–3 years based on when they join. In general, Participating *UGLGs* must execute a *Cooperation Agreement* (unless their Urban County has *Essential Powers* in *UGLGs*). *Metropolitan Cities* may also become Participating *UGLGs* by *Relinquishing CDBG Entitlement Status* and executing a *Cooperation Agreement* with the Urban County, if necessary.

Principal City: A specific type of *Metropolitan City*, as defined in Sec. 102(a)(4) of the *HCDA of 1974*. Congress originally used the term “central city” in the *HCDA of 1974*: “a city within a metropolitan area which is the central city of such area.” In 2003, OMB replaced “central city” with “principal city.” HUD changed CDBG regulations to ensure the definition of *Metropolitan City* for the CDBG program was consistent with OMB’s use of Principal City. OMB periodically re-designates Principal Cities in bulletins updating their designations of metropolitan statistical

areas (MSAs), micropolitan statistical areas, and core-based statistical areas (CBSAs). The largest city in each metropolitan or micropolitan statistical area is designated a Principal City. Additional cities also qualify as Principal Cities if requirements are met concerning population size and employment. OMB last updated these designations in July 2023 (OMB Bulletin No. 23-01).

Relinquishing CDBG Entitlement Status: The action of a *Metropolitan City* officially giving up its status as a *CDBG Entitlement Community*. The *Metropolitan City* must submit an official letter to their CPD field office notifying HUD that it wants to relinquish its *CDBG Entitlement* status. Their CPD field office will then notify the *CPD Entitlement Communities Division* as this will affect CPD formula allocation. After a *Metropolitan City* relinquishes *CDBG Entitlement* status, they may choose to become a *Participating UGLG* in an Urban County, seek *State CDBG Program* funding, or not participate in the CDBG program altogether.

Requalifiers: Currently qualified Urban Counties that are in their requalification year (the third year of their current expiring *Urban County Qualification Period*).

Split Place: An *UGLG* whose population is in more than one county. The jurisdiction crosses county lines. The counties do not all have to be Urban Counties. The *UGLG* must decide which county(ies) it will attribute its population to for Urban County qualification (if any).

State CDBG Program: HUD grant program which awards CDBG funds to state governments for distribution to *Non-Entitlement Areas* in their state (*UGLGs* and lower-population counties not qualified as Urban Counties) to develop and preserve decent affordable housing, provide services to the most vulnerable in local communities, and create and keep jobs. States award their CDBG funding to *Non-Entitlement Areas* using a “method of distribution” of their choice.

Unincorporated Areas: Areas in a county not incorporated as cities, towns, townships, villages, or boroughs. These areas may have a name and be locally recognized, but they do not have legally defined boundaries or a separate legal government. Unincorporated areas are primarily “census designated places” (CDPs) and “unorganized territories,” per the U.S. Census Bureau.

Unit of General Local Government (UGLG): An *Incorporated Area* operated by a local governing body (for example, a city council). These are typically known as cities, towns, townships, villages, or boroughs.

Urban County: A county that has met population thresholds and qualified to directly receive CDBG funds from HUD. An Urban County is a *CDBG Entitlement Community* under the *CDBG Entitlement Program*. Refer to the official definition of Urban Counties at Section 102(a)(6)(A) of the *HCDA of 1974* for more information.

Urban County Configuration: The group of *Participating UGLGs* in *Cooperation Agreements* and/or *Metropolitan Cities* in *Joint Agreements* that make up an Urban County, including the county government itself. This is a technical term primarily used internally by HUD. It is often used when referring to the Urban County “worksheets” in the *GMP-R Urban County Module* and Urban County reports produced by the Integrated Disbursement and Information System (IDIS).

Urban County Lists: The seven lists of counties HUD publishes annually on the HUD Exchange Urban Counties website to be used for the *Urban County Qualification Process*. These lists are the authoritative data source on current and potential new Urban Counties. Most importantly, the Urban County Lists show the years currently qualified Urban Counties must requalify.

Urban County Participation Decision Letters: The letters that Urban Counties and potential new Urban Counties send to *UGLGs* and *Metropolitan Cities* to request their official decision on whether to participate (or not) in the Urban County. As part of the qualification process, the Urban County sends these letters to *UGLGs* and *Metropolitan Cities* with a request for an official response letter to be sent back to the Urban County (generally within 30 days). *Urban County Participation Decision Letters* also include the response letters *UGLGs* and *Metropolitan Cities* send back to the Urban County with their participation decisions.

Urban County Qualification Deadlines: The deadlines HUD publishes annually on the HUD Exchange Urban Counties website for the *Urban County Qualification Process*. The deadlines are actions that qualifying Urban Counties, *UGLGs*, and *Metropolitan Cities* must complete in the spring and summer months each year. These deadlines guide Urban Counties through the *Urban County Qualification Process*, ensuring that counties remain on track and meet iterative milestones to successfully qualify as an Urban County by September 30 (the HOME program's statutory deadline).

Urban County Qualification Period: The three-fiscal-year period that an Urban County is qualified by HUD as an Urban County. During this period, the Urban County is eligible to receive CDBG funding directly as a *CDBG Entitlement Community* (so long as Congress appropriates funds and the Urban County submits its Consolidated Plan/Action Plan by August 16 each year). Urban Counties requalify for their next Urban County Qualification Period in their third and final year of their current Urban County Qualification Period.

Urban County Qualification Process: The overall process of Urban County qualification, which occurs each year through the spring and summer months and ends on September 30 (HOME program statutory deadline). [GO TO SECTION 2](#) for the Step-by-Step Process Map. The process involves *Requalifiers* and *First-Time Qualifiers* completing the following three actions: 1) securing CDBG program participation decisions from *UGLGs* and *Metropolitan Cities* in their county via *Urban County Participation Decision Letters*, 2) authorizing and executing *Cooperation Agreements* and/or *Joint Agreements* between the parties and securing *County Counsel Legal Opinion Letters*, and 3) submitting all qualification documentation to HUD for review and approval to be qualified as an Urban County for the next three-fiscal-year *Urban County Qualification Period*.

Attachment 3: HUD Requirements and Sample Language for *Cooperation Agreements*

List of HUD requirements (12) for Urban County *Cooperation Agreements*¹⁷

1. It must be authorized by governing bodies and executed (signed) by CEOs.

The governing bodies for your Urban County and the Participating UGLG must authorize the *Cooperation Agreement*. Both chief executive officers (CEOs) must sign the agreement. A *County Counsel Legal Opinion Letter* must be submitted with the *Cooperation Agreement*. The opinion must state that the terms and provisions of the agreement are fully authorized under state and local law and that the agreement provides the legal authority for the county to undertake, or assist in undertaking, essential community development and housing assistance activities within the Participating UGLG’s jurisdiction.

2. It must state that your county and the Participating UGLG will cooperate to carry out essential community development and housing assistance activities.

If your Urban County does not have essential powers in the Participating UGLG, the *Cooperation Agreement* must specifically state that the Participating UGLG will: “*undertake, or assist in undertaking, essential community development and housing assistance activities.*”

NOTE: As an alternative to this language, your *Cooperation Agreement* may reference state law authorizing the UGLG to undertake these activities. Your Urban County must submit alternative language to HUD for approval by OGC Field or Regional Counsel.

3. It must state that the *Cooperation Agreement* covers the CDBG program and that your Urban County and the Participating UGLG may not seek CDBG funding from the State’s CDBG program while participating in the Urban County.

4. It must state that the *Cooperation Agreement* also covers the: 1) HOME program (if your Urban County receives HOME funding); and 2) the ESG program (if your Urban County receives ESG funding). The Participating UGLG may only receive HOME and ESG formula-allocated funds from your Urban County.

It must state that the UGLG may only receive formula-allocated funds for the HOME and ESG programs from your Urban County. Even if your Urban County does not participate in the HOME program, the Participating UGLG cannot form a HOME consortium with other UGLGs. Similarly, the Participating UGLG may only receive ESG formula-allocated funds from your Urban County.

NOTE: If your state allows it, your Urban County and Participating UGLGs may still seek HOME or ESG funds from your state government.

¹⁷ The twelve requirements in this list are HUD’s requirements only. Urban Counties and Participating UGLGs must also incorporate local-specific provisions into their agreements to comply with state and local requirements.

- 5. It must specify the qualification period for your Urban County (three federal fiscal years covered by the *Cooperation Agreement*) OR the remaining 1-2 years of your qualification period (for amendments to *Cooperation Agreements*). It must also state that, by the date in the *Urban County Qualification Deadlines* published on the HUD Exchange Urban Counties website for the next qualification period, your Urban County will notify the Participating UGLG by letter of its right not to participate. For *Auto-Renewal Cooperation Agreements*, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.**

The qualification period for your Urban County is the next three fiscal years after your county qualifies or requalifies. If your Urban County is amending a *Cooperation Agreement*, the amendment must update how many years remain (one or two) in your qualification period. HUD discusses amendments more in #6 below. For *Auto-Renewal Cooperation Agreements*, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.

- 6. For regular *Cooperation Agreements*, it must state that your Urban County and the Participating UGLG will amend the agreement, if necessary, to meet requirements during the Urban County's three-year qualification period. For *Auto-Renewal Cooperation Agreements*, it must state that your Urban County and the Participating UGLG will amend the agreement, if necessary, to meet requirements at any time during the two qualification periods the agreement is in effect (including at the time of requalification).**

An amendment is any change to a *Cooperation Agreement* which must be authorized and executed during an Urban County's qualification period (or also at the time of requalification for an *Auto-Renewal Cooperation Agreement*). Over time, changes to laws and regulations may require your Urban County to amend your *Cooperation Agreements* to add new provision(s). An amendment allows your Urban County to draft a separate amendment to your existing agreements that includes the new provision(s) rather than drafting an entire new *Cooperation Agreement* containing the new provisions. The amendment must be authorized by governing bodies and executed (signed) by chief executive officers, like the *Cooperation Agreement* itself. *Auto-Renewal Cooperation Agreements* may be amended at the time of requalification for the second three-year qualification period, as well as during the two qualification periods, to cover any new required provisions. If your Urban County fails to make a required amendment to a *Cooperation Agreement* by the deadlines published on the HUD Exchange Urban Counties website, your *Cooperation Agreement* is voided and you must submit a new *Cooperation Agreement*.

- 7. It must state that the agreement remains in effect until all funds (CDBG, HOME, ESG, and any program income) are expended and all activities are completed.**

This applies to the three-year qualification period (and second three-year qualification period for *Auto-Renewal Cooperation Agreements*). The Urban County and Participating UGLG can't terminate or withdraw from the agreement while it remains in effect.

8. It must state that your Urban County and the Participating UGLG will comply with all federal laws and regulations specified in HUD’s Urban County Notice.

The *Cooperation Agreement* must contain an explicit provision obligating your Urban County and the Participating UGLG to comply with your Urban County’s certification (under section 104(b) of Title I of the Housing and Community Development Act of 1974), that your grant will be conducted and administered in conformity with:

- Title VI of the Civil Rights Act of 1964 (and the implementing regulations at 24 CFR Part 1);
- the Fair Housing Act (Title VIII of the Civil Rights Act of 1968), and the implementing regulations at 24 CFR Part 100, and the duty to affirmatively further fair housing (AFFH); and
- Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 6, which incorporates:
 - Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR Part 8;
 - Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR Part 35;
 - the Age Discrimination Act of 1975, and the implementing regulation at 24 CFR Part 146;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 49 CFR Part 24;
 - Section 104(d) of Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 42; and
- Other applicable laws

Required provision on affirmatively furthering fair housing (AFFH)

The *Cooperation Agreement* must contain a provision prohibiting an Urban County from funding activities in, or in support of, any Participating UGLG that impedes your county’s actions to comply with your fair housing certification. HUD requires this provision because noncompliance with the duty to affirmatively further fair housing by a Participating UGLG may constitute noncompliance by your Urban County. This can result in HUD issuing funding sanctions or other remedial actions for your county.

9. It must include a provision prohibiting excessive use of force and prohibiting physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.

The agreement must state that the Participating UGLG has adopted and is enforcing:

1. *A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and*
2. *A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within jurisdictions.*

10. It must NOT include a veto provision that could obstruct implementation of your Urban County’s Consolidated Plan.

The *Cooperation Agreement* must NOT include a veto provision (or other restriction) that would allow a Participating UGLG to obstruct implementation of your Urban County’s approved Consolidated Plan during the qualification period. Your Urban County has final responsibility for choosing CDBG activities (*and HOME and ESG activities, if applicable*) and submitting the Consolidated Plan to HUD. If your Urban County is a member of a HOME consortium (but not the lead entity), the HOME consortium is responsible for submitting the Consolidated Plan for your Urban County.

11. It must state that the Participating UGLG is subject to the same requirements as subrecipients in the CDBG program.

Per [24 CFR 570.501\(b\)](#), the *Cooperation Agreement* must state that the Participating UGLG is subject to the same requirements as subrecipients in the CDBG program. This includes the requirement for executing a written subrecipient agreement before your county disburses CDBG funds to a Participating UGLG.

12. It must include a provision that the parties may not sell, trade, or transfer any HUD funds. Congress has prohibited this practice. HUD will not accept *Cooperation Agreements* or approve any Urban County’s qualification without this provision.

Your agreement must include this specific provision: *Parties to this Agreement understand and agree that they may not sell, trade, or otherwise transfer all or any portion of CDBG funds to a Metropolitan City, Urban County, unit of general local government, or insular area that directly or indirectly receives CDBG funds in exchange for any funds, credits, or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.*

Additional provisions your Urban County may include (authorized by state/local laws)

Your *Cooperation Agreements* may also include any provisions authorized by state and local laws. These provisions may legally require a Participating UGLG to undertake necessary actions, as determined by your county, to carry out a community development program and the approved Consolidated Plan and/or meet other requirements of the CDBG program (and, where applicable, HOME and ESG programs) and other applicable laws.

Sample Language for Cooperation Agreements

HUD Cooperation Agreement Requirement		HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
1	It must be authorized by governing bodies and signed by CEOs.	<p><i>This may best translate to a “Whereas” clause, paired with the execution on the signature block.</i></p> <p><i>Example:</i></p> <p>WHEREAS, the Mayor of the Municipality is authorized to execute this Agreement on the Municipality’s behalf; and</p> <p>WHEREAS, the County Executive is authorized to execute this Agreement on the County’s behalf</p>
2	It must state that your county and the Participating UGLG will cooperate to carry out essential community development and housing assistance activities.	The County and the Municipality agree to cooperate to undertake, or assist in undertaking, essential community development and housing assistance activities, as approved and authorized between the parties in the CDBG Agreements, including the Consolidated Plan.
3	It must state that the agreement covers the CDBG program and that your county and the Participating UGLG may not seek CDBG funding from the State’s CDBG program while participating in the Urban County.	The participating Municipality understands and agrees that it may not apply for grants under the State CDBG Program for the fiscal years during the period in which the Municipality participates in the Urban County’s CDBG Program.
4	It must state that the agreement also covers: 1) the HOME program (if your Urban County receives HOME funding); and 2) the ESG program (if your Urban County receives ESG funding). The Participating UGLG may only receive HOME and ESG formula-allocated funds from your Urban County.	<p><i>Example, covering CDBG, HOME, and ESG:</i></p> <p>This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: the CDBG Program, the HOME Program, and the ESG Program.</p> <p>The participating Municipality understands and agrees that it may receive a formula allocation under the HOME and ESG Programs only through the Urban County. This does not preclude the Urban County or the Municipality from applying for HOME or ESG funds from the State, if the State allows.</p>

HUD Cooperation Agreement Requirement	HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
<p>5 It must specify the qualification period for your Urban County (three federal fiscal years covered by the <i>Cooperation Agreement</i>) OR the remaining 1-2 years of your qualification period (for amendments to <i>Cooperation Agreements</i>). It must also state that, by the date in the <i>Urban County Qualification Deadlines</i> published on the HUD Exchange Urban Counties website for the next qualification period, your Urban County will notify the Participating UGLG by letter of its right not to participate. <u>For <i>Auto-Renewal Cooperation Agreements</i></u>, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.</p>	<p><i>Example, Auto-Renewal Cooperation Agreement:</i></p> <p>This Agreement shall remain in effect for the three-year program period of Federal Fiscal Years XXXX, XXXX, and XXXX, and until funds granted and program income received during the three-year program period are expended and the funded activities completed. Neither the County nor the Municipality may terminate, withdraw, or be removed from the program during the three-year program period.</p> <p>This Agreement will renew automatically for participation for one successive three-year Urban County qualification period (Federal Fiscal Years XXXX, XXXX, and XXXX), unless the Municipality or the County provide written notice to the other party that it elects not to participate in a new qualification period. The terminating party shall send a copy of the notice of termination to the HUD field office by the date specified on the HUD Exchange Urban Counties website. The County will notify the Municipality in writing of the Municipality’s right to make this election. A copy of the County’s notification must be sent to the HUD field office by the date specified on the HUD Exchange Urban Counties website.</p>
<p>6 <u>For regular <i>Cooperation Agreements</i></u>, it must state that your Urban County and the Participating UGLG will amend the agreement, if necessary, to meet requirements during the Urban County’s three-year qualification period. <u>For <i>Auto-Renewal Cooperation Agreements</i></u>, it must state that your Urban County and the Participating UGLG will amend the agreement, if necessary, to meet requirements at any time during the two qualification periods the agreement is in effect (including at the time of requalification).</p>	<p>The Parties agree to adopt amendment(s) to this Agreement as may be required by HUD to meet any new Urban County Qualification requirement(s), when applicable. Failure by either Party to adopt any such amendment, and to submit such amendment to HUD, will void the agreement for such qualification period.</p>

HUD Cooperation Agreement Requirement		HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
7	It must state that the agreement remains in effect until all funds (CDBG, HOME, ESG, and any program income) are expended and all activities are completed.	<i>See above language in #6</i>
8	It must state that your Urban County and the Participating UGLG will comply with all federal laws and regulations specified in HUD's Urban County Notice.	<p>The County and the Municipality shall take all actions necessary to assure compliance with the County's certification under Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, that the grant will be conducted and administered in conformity with:</p> <ul style="list-style-type: none"> • Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR Part 1; • the Fair Housing Act, and the implementing regulations at 24 CFR Part 100, and will comply with the obligation to affirmatively further fair housing; and • Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 6, which incorporates: Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR Part 8; Title II of the Americans with Disabilities Act of 1974, and the implementing regulations at 28 CFR Part 35; the Age Discrimination Act of 1975, and the implementing regulations at 24 CFR Part 146; Section 3 of the Housing and Urban Development Act of 1968; Uniform Relocation and Real Property Policies Act of 1970 and the implementing regulations at 49 CFR Part 24; Section 104(d) of the Housing and Community Development Act of 1974 and the implementing regulations at 24 CFR Part 42; and all other applicable laws and regulations. The Parties agree that Urban County funding in no event will be used for activities in, or in support of, any cooperating unit of general local government that impedes the County's actions to comply with the County's fair housing certification and duty to affirmatively further fair housing.

HUD Cooperation Agreement Requirement		HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
9	It must include a provision prohibiting excessive use of force and prohibiting physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.	The County and the Municipality each have adopted and are enforcing: <ol style="list-style-type: none"> 1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations. 2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of non-violent civil rights demonstrations within its jurisdiction.
10	It must NOT include a veto provision that could obstruct implementation of your Urban County's Consolidated Plan.	<i>No provision necessary to satisfy this requirement</i>
11	It must state that the Participating UGLG is subject to the same requirements as subrecipients in the CDBG program.	Pursuant to 24 CFR 570.501(b), the Municipality is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as described in 24 CFR 570.503.
12	It must include a provision that the Participating UGLG may not sell, trade, or transfer any HUD funds provided by your Urban County.	Parties to this Agreement understand and agree that they may not sell, trade, or otherwise transfer all or any portion of CDBG funds to a Metropolitan City, Urban County, unit of general local government, or insular area that directly or indirectly receives CDBG funds in exchange for any funds, credits, or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.

Attachment 4: HUD Requirements and Sample Language for *Joint Agreements*

List of HUD requirements (12) for Urban County *Joint Agreements*¹⁸

1. It must be authorized by governing bodies and signed by CEOs.

The governing bodies for your Urban County and the Metropolitan City must authorize the *Joint Agreement*. Both chief executive officers (CEOs) must sign the agreement. A *County Counsel Legal Opinion Letter* must also be submitted with the *Joint Agreement*. The opinion must state that the terms and provisions of the agreement are fully authorized under state and local law and that the agreement provides the legal authority for the county to undertake, or assist in undertaking, essential community development and housing assistance activities within the Metropolitan City’s jurisdiction.

2. It must state that your Urban County and the Metropolitan City will cooperate to carry out essential community development and housing assistance activities in the Metropolitan City, and that the Urban County will expend the Metropolitan City’s CDBG grant in and for the benefit of the Metropolitan City.

If your Urban County does not have essential powers in the Metropolitan City, the agreement must specifically state that the Metropolitan City will: “*undertake, or assist in undertaking, essential community development and housing assistance activities.*” The agreement must also state that your Urban County will expend the Metropolitan City’s CDBG grant in, and for the benefit of, that Metropolitan City.

The Urban County and Metropolitan City may elect to explain in the *Joint Agreement* that the Urban County will allot a certain percentage of the overall combined grant for purposes of coordinating with the Metropolitan City on planning and administration of the Metropolitan City’s grant funds. Because the Urban County is administering the Metropolitan City’s CDBG grant, however, the Urban County is entitled to 20 percent (20%) of the Metropolitan City’s grant for administering their CDBG program.

NOTE: As an alternative to this language, your agreement may reference state law authorizing the Metropolitan City to undertake these activities. Your Urban County must submit alternative language to HUD for approval by OGC Field or Regional Counsel.

3. It must state that the agreement covers the CDBG program and that your Urban County and the Metropolitan City may not seek CDBG funding from the State’s CDBG program while participating in the Urban County.

4. It must state that the agreement also covers: 1) the HOME program (*if your Urban County receives HOME funding*); and 2) the ESG program (*if your Urban County receives ESG funding*).

¹⁸ The twelve requirements in this list are HUD’s requirements only. Urban Counties and Metropolitan Cities must also incorporate local-specific provisions into their agreements to comply with state and local requirements.

It must state that if the Metropolitan City qualifies to receive a separate allocation of HOME funds, it has three options: (1) it may form a HOME consortium with the Urban County, in which case it will be included as part of the Urban County when the HOME funds for the county are calculated; (2) it may elect to continue to receive its separate HOME grant but have the Urban County administer it; or (3) the Metropolitan City may administer its HOME program on its own. Similarly, the agreement must state how the Metropolitan City will treat ESG funding.

NOTE: If your state allows it, your Urban County and Participating UGLGs may still seek HOME or ESG funds from your state government.

- 5. It must specify the qualification period for your Urban County (three fiscal years covered by the *Joint Agreement*) OR the remaining 1-2 years of your qualification period (for amendments to *Joint Agreements*). It must also state that, by the date in the *Urban County Qualification Deadlines* published on the HUD Exchange Urban Counties website for the next qualification period, your Urban County will notify the Metropolitan City by letter of its right not to participate. For *Auto-Renewal Joint Agreements*, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.**

The qualification period for your Urban County is the next three fiscal years after your county qualifies or requalifies. If your Urban County is amending a *Joint Agreement*, the amendment must update how many years remain (one or two) in your qualification period. HUD discusses amendments more in #6 below. For *Auto-Renewal Joint Agreements*, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.

- 6. For regular *Joint Agreements*, it must state that your Urban County and the Metropolitan City will amend the agreement, if necessary, to meet requirements during the Urban County's three-year qualification period. For *Auto-Renewal Joint Agreements*, it must state that your Urban County and the Metropolitan City will amend the agreement, if necessary, to meet requirements at any point during the two qualification periods the agreement is in effect (including at the time of requalification).**

An amendment is any change to a *Joint Agreement* which must be authorized and executed during an Urban County's qualification period (or also at the time of requalification for an *Auto-Renewal Joint Agreement*). Over time, changes to laws and regulations will occur that may require your Urban County to amend your *Joint Agreements* to add new provision(s). An amendment allows your Urban County to draft a separate amendment to your existing agreements that includes the new provision(s) rather than drafting an entire new *Joint Agreement* containing the new provisions. The amendment must be authorized by governing bodies and executed (signed) by chief executive officers, like the *Joint Agreement* itself. *Auto-Renewal Joint Agreements* may be amended at the time of requalification for the second three-year qualification period, as well as during the two qualification periods, to cover any

new required provisions. If your Urban County fails to make a required amendment to a *Joint Agreement* by the deadlines published on the HUD Exchange Urban Counties website, your *Joint Agreement* is voided and you must submit a new *Joint Agreement*.

7. It must state the plan for the disposition of program income generated by the Metropolitan City during the time it is a participant in the Urban County.

The Urban County and Metropolitan City can't terminate or withdraw from the agreement while it remains in effect. The Urban County may transfer the program income to the Metropolitan City, upon its termination of Urban County participation, provided that the Municipality begins participating as an independent CDBG Entitlement grantee and agrees to use the program income in its own CDBG Entitlement program.

8. It must state that your Urban County and the Metropolitan City will comply with all federal laws and regulations specified in HUD's Urban County Notice.

The agreement must contain an explicit provision obligating your Urban County and the Metropolitan City to comply with your Urban County's certification (under section 104(b) of Title I of the Housing and Community Development Act of 1974), that your grant will be conducted and administered in conformity with:

- Title VI of the Civil Rights Act of 1964 (and the implementing regulations at 24 CFR Part 1);
- the Fair Housing Act (Title VIII of the Civil Rights Act of 1968), and the implementing regulations at 24 CFR Part 100, and the duty to affirmatively further fair housing (AFFH); and
- Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 6, which incorporates:
 - Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR Part 8;
 - Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR Part 35;
 - the Age Discrimination Act of 1975, and the implementing regulation at 24 CFR Part 146;
 - Section 3 of the Housing and Urban Development Act of 1968;
 - Uniform Relocation and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 49 CFR Part 24;
 - Section 104(d) of the Housing and Community Development Act of 1974, implementing regulation at 24 CFR Part 42; and
- Other applicable laws

Required provision on affirmatively furthering fair housing (AFFH)

The *Joint Agreement* must contain a provision prohibiting an Urban County from funding activities in, or in support of, any Metropolitan City that impedes your county's actions to comply with your fair housing certification. HUD requires this provision because noncompliance with the duty to affirmatively further fair housing by a Metropolitan City may constitute noncompliance by your Urban County. This can result in HUD issuing funding sanctions or other remedial actions for your Urban County.

9. It must include a provision prohibiting excessive use of force and prohibiting physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.

The agreement must state that the Metropolitan City has adopted and is enforcing:

1. *A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and*
2. *A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within jurisdictions.*

10. It must NOT include a veto provision that could obstruct implementation of your Urban County's Consolidated Plan.

Your agreement must NOT include a veto provision (or other restriction) that would allow a Metropolitan City to obstruct implementation of your Urban County's approved Consolidated Plan during the qualification period. Your Urban County has final responsibility for choosing CDBG activities (*and HOME and ESG activities, if applicable*) and submitting the Consolidated Plan to HUD. If your Urban County is a member of a HOME consortium (but not the lead entity), the HOME consortium is responsible for submitting the Consolidated Plan for your Urban County.

11. It must state that the Metropolitan City is subject to the same requirements as subrecipients in the CDBG program.

Per [24 CFR 570.501\(b\)](#), the agreement must state that the Metropolitan City is subject to the same requirements as subrecipients in the CDBG program. This includes the requirement for executing a written agreement before your Urban County disburses CDBG funds to the Metropolitan City.

12. It must include a provision that the parties may not sell, trade, or transfer any HUD funds. Congress has prohibited this practice. HUD will not accept *Joint Agreements* or approve any Urban County's qualification without this provision.

Your agreement must include this specific provision: *Parties to this Agreement understand and agree that they may not sell, trade, or otherwise transfer all or any portion of CDBG*

funds to a Metropolitan City, Urban County, unit of general local government, or insular area that directly or indirectly receives CDBG funds in exchange for any funds, credits, or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.

Additional provisions your Urban County may include (authorized by state/local laws)

Your *Joint Agreements* may also include any provisions authorized by state and local laws. These provisions may legally require a Metropolitan City to undertake necessary actions, as determined by your county, to carry out a community development program and the approved Consolidated Plan and/or meet other requirements of the CDBG program (and, where applicable, HOME and ESG programs) and other applicable laws.

Sample Language for Joint Agreements

HUD Joint Agreement Requirement		HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
1	It must be authorized by governing bodies and signed by CEOs.	<p><i>This may best translate to a “Whereas” clause, paired with the execution on the signature block.</i></p> <p><i>Example:</i></p> <p>WHEREAS, the Mayor of the Municipality is authorized to execute this Agreement on the Municipality’s behalf; and</p> <p>WHEREAS, the County Executive is authorized to execute this Agreement on the County’s behalf</p>
2	It must state that your Urban County and the Metropolitan City will cooperate to carry out essential community development and housing assistance activities in the Metropolitan City, and that the Urban County will expend the Metropolitan City’s CDBG grant in and for the benefit of the Metropolitan City.	<p>The County and the Municipality agree to cooperate to undertake, or assist in undertaking, essential community development and housing assistance activities in and for the benefit of the Municipality, as approved and authorized between the parties in the CDBG Agreements, including the Consolidated Plan.</p>
3	It must state that the agreement covers the CDBG program and that your Urban County and the Metropolitan City may not seek CDBG funding from the State’s CDBG program while participating in the Urban County.	<p>The participating Municipality understands and agrees that it may not apply for grants under the State CDBG Program for the fiscal years during the period in which the Municipality participates in the Urban County’s CDBG Program. The Urban County agrees that the CDBG funds that the Municipality is entitled to will be utilized to benefit the Municipality.</p>
4	It must state that the agreement also covers: 1) the HOME program (if your Urban County receives HOME funding); and 2) the ESG program (if your Urban County receives ESG funding).	<p><i>Example, covering CDBG, HOME, and ESG:</i></p> <p>This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: the CDBG Program, the HOME Program, and the ESG Program.</p> <p>The participating Municipality understands and agrees that it may receive a formula allocation under the HOME and ESG Programs only through the Urban County. This does not preclude the</p>

	HUD Joint Agreement Requirement	HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
		Urban County or the Municipality from applying for HOME or ESG funds from the State, if the State allows.
5	<p>It must specify the qualification period for your Urban County (three fiscal years covered by the <i>Joint Agreement</i>) OR the remaining 1-2 years of your qualification period (for amendments to <i>Joint Agreements</i>). It must also state that, by the date in the <i>Urban County Qualification Deadlines</i> published on the HUD Exchange Urban Counties website for the next qualification period, your Urban County will notify the Metropolitan City by letter of its right not to participate. <u>For <i>Auto-Renewal Joint Agreements</i></u>, it must state the three additional fiscal years that will be covered by the agreement when it auto-renews.</p>	<p><i>Example, Auto-Renewal Joint Agreement:</i></p> <p>This Agreement shall remain in effect for the three-year program period of Federal Fiscal Years XXXX, XXXX, and XXXX, and until funds granted and program income received during the three-year program period are expended and the funded activities completed. Neither the County nor the Municipality may terminate, withdraw, or be removed from the program during the three-year program period.</p> <p>This Agreement will renew automatically for participation in one successive three-year Urban County qualification period (Federal Fiscal Years XXXX, XXXX, XXXX), unless the Municipality or the County provide written notice to the other party that it elects not to participate in a new qualification period. The terminating party shall send a copy of the notice of termination to the HUD field office by the date specified on the HUD Exchange Urban Counties website. The County will notify the Municipality in writing of the Municipality’s right to make this election. A copy of the County’s notification must be sent to the HUD field office by the date specified on the HUD Exchange Urban Counties website.</p>
6	<p><u>For regular <i>Joint Agreements</i></u>, it must state that your Urban County and the Metropolitan City will amend the agreement, if necessary, to meet requirements during the Urban County’s three-year qualification period. <u>For <i>Auto-Renewal Joint Agreements</i></u>, it must state that your Urban County and the Metropolitan City will amend the agreement, if necessary, to meet requirements at any point during the two</p>	<p>The Parties agree to adopt amendment(s) to this Agreement as may be required by HUD to meet any new Urban County Qualification requirement(s), when applicable. Failure by either Party to adopt any such amendment, and to submit such amendment to HUD, will void the agreement for such qualification period.</p>

HUD Joint Agreement Requirement	HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
qualification periods the agreement is in effect (including at the time of requalification).	
7 It must state the plan for the disposition of program income generated by the Metropolitan City during the time it is a participant in the Urban County.	<p>The County and Municipality shall not terminate or withdraw from the agreement while it remains in effect. The County may transfer the program income to the Metropolitan City, upon its termination of Urban County participation, provided that the Municipality begins participating as an independent CDBG Entitlement grantee and agrees to use the program income in its own CDBG Entitlement program.</p>
8 It must state that your Urban County and the Metropolitan City will comply with all federal laws and regulations specified in HUD's Urban County Notice.	<p>The County and the Municipality shall take all actions necessary to assure compliance with the County's certification under Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, that the grant will be conducted and administered in conformity with:</p> <ul style="list-style-type: none"> • Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR Part 1; • the Fair Housing Act, and the implementing regulations at 24 CFR Part 100, and will comply with the obligation to affirmatively further fair housing; and • Section 109 of Title I of the Housing and Community Development Act of 1974, and the implementing regulations at 24 CFR Part 6, which incorporates: Section 504 of the Rehabilitation Act of 1973, and the implementing regulations at 24 CFR Part 8; Title II of the Americans with Disabilities Act of 1974, and the implementing regulations at 28 CFR Part 35; the Age Discrimination Act of 1975, and the implementing regulations at 24 CFR Part 146; Section 3 of the Housing and Urban Development Act of 1968; Uniform Relocation and Real Property Policies Act of 1970 and the implementing regulations at 49 CFR Part 24; Section 104(d) of the Housing and Community Development Act of 1974 and the implementing regulations at 24 CFR Part 42; and all other applicable

HUD Joint Agreement Requirement	HUD Sample Language <i>[Text in italics is explanatory and not part of the sample language]</i>
	<p>laws and regulations. The Parties agree that Urban County funding in no event will be used for activities in, or in support of, any cooperating unit of general local government that impedes the County's actions to comply with the County's fair housing certification and duty to affirmatively further fair housing.</p>
<p>9 It must include a provision prohibiting excessive use of force and prohibiting physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdictions.</p>	<p>The County and the Municipality each have adopted and are enforcing:</p> <ol style="list-style-type: none"> 1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations. 2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of non-violent civil rights demonstrations within its jurisdiction.
<p>10 It must NOT include a veto provision that could obstruct implementation of your Urban County's Consolidated Plan.</p>	<p><i>No provision necessary to satisfy this requirement</i></p>
<p>11 It must state that the Metropolitan City is subject to the same requirements as subrecipients in the CDBG program.</p>	<p>Pursuant to 24 CFR 570.501(b), the Municipality is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement as described in 24 CFR 570.503.</p>
<p>12 It must include a provision that the Metropolitan City may not sell, trade, or transfer any HUD funds provided by your Urban County.</p>	<p>Parties to this Agreement understand and agree that they may not sell, trade, or otherwise transfer all or any portion of CDBG funds to a Metropolitan City, Urban County, unit of general local government, or insular area that directly or indirectly receives CDBG funds in exchange for any funds, credits, or non-Federal considerations, but must use such funds for activities eligible under Title I of the Housing and Community Development Act of 1974, as amended.</p>

Attachment 5: Cooperation Agreements vs. Joint Agreements Comparison Table

Issue/Topic	<i>Cooperation Agreement</i> (Urban County and Participating UGLG)	<i>Joint Agreement</i> (Urban County and Metropolitan City)
Definition of Agreement	<ul style="list-style-type: none"> • Intergovernmental agreement (IGA) between an Urban County and a <i>Participating UGLG</i> (Non-Entitlement). • The Urban County must enter into <i>Cooperation Agreements</i> with UGLGs when the Urban County does not have the power to carry out “essential community development and housing assistance activities” in UGLGs without consent from UGLG governing bodies. • Most states only grant counties “essential powers” in unincorporated areas and not in UGLGs. 	<ul style="list-style-type: none"> • Intergovernmental agreement (IGA) between an Urban County and a <i>Metropolitan City</i> (CDBG Entitlement). • The Urban County must enter into <i>Joint Agreements</i> with Metropolitan Cities when the Urban County will administer the Metropolitan City’s CDBG program, in addition to the Urban County’s CDBG program.
Responsibilities of Urban County	<ul style="list-style-type: none"> • The Urban County is responsible for all aspects of administering their CDBG program, including planning and citizen participation, expending program income and ensuring timely expenditure of funds, responding to audits and monitoring findings, fair housing and other cross-cutting requirements, management and oversight of subrecipients (including Participating UGLGs), and reporting and inputting information into IDIS. • The Urban County needs to establish policies and procedures governing its process for selecting activities for funding, including when and how a county may provide funds to Participating UGLGs. However, the CDBG regulations give each grantee the flexibility to design its program based on locally-identified 	<ul style="list-style-type: none"> • The Urban County is responsible for all aspects of administering their CDBG program AND the Metropolitan City’s CDBG program, including planning and citizen participation, expending program income and ensuring timely expenditure of funds, responding to audit and monitoring findings, fair housing and other cross-cutting requirements, management and oversight of subrecipients, and reporting and inputting information into IDIS. • The Urban County may use up to 20% of the Metropolitan City’s CDBG grant for planning and general administrative costs. The amount of planning and administration funds available to the Urban County should be explained in the <i>Joint Agreement</i>.

Issue/Topic	<i>Cooperation Agreement</i> (Urban County and Participating UGLG)	<i>Joint Agreement</i> (Urban County and Metropolitan City)
	needs and priorities. It is common for Urban Counties to work with their Participating UGLGs to help design the county’s program. That process may or may not be spelled out in the <i>Cooperation Agreements</i> with Participating UGLGs.	
Responsibilities of Participating UGLGs	<ul style="list-style-type: none"> • Cooperating with the Urban County on the needs and activities they want funded in their jurisdiction. • They may or may not receive CDBG funding for activities from the Urban County in any given program year. There is no guarantee of funding. • If they receive CDBG funding from the Urban County, they may carry out the activities themselves OR allow the Urban County to carry out the activities in their jurisdiction. 	Not applicable because <i>Joint Agreements</i> are only between Urban Counties and Metropolitan Cities.
Responsibilities of Metropolitan City	<p>Not applicable because <i>Cooperation Agreements</i> are between Urban Counties and Participating UGLGs.</p> <p><small>NOTE: Metropolitan Cities may also choose to relinquish their CDBG Entitlement status to participate in an Urban County, but they are then considered a Participating UGLG (not a Metropolitan City [Entitlement]).</small></p>	<ul style="list-style-type: none"> • Providing input to the Urban County on needs and activities to fund with CDBG in their jurisdiction. • Other responsibilities may be spelled out in the <i>Joint Agreement</i> (as agreed to by Urban County).
Where CDBG Investments and Activities May Occur	The Urban County has full discretion on where and how CDBG funds are spent across the Urban County. Each Participating UGLG is not guaranteed to receive CDBG investment in their jurisdiction in any given program year.	The Urban County is required to spend all the Metropolitan City’s CDBG grant funds in the jurisdictional boundaries of the Metropolitan City and for the benefit of that Metropolitan City.

Issue/Topic	<i>Cooperation Agreement</i> (Urban County and Participating UGLG)	<i>Joint Agreement</i> (Urban County and Metropolitan City)
When Can They Opt In	Participating UGLGs may join an Urban County during any year of its qualification period.	Metropolitan Cities may only submit <i>Joint Requests</i> to become a <i>Joint Recipient</i> with an Urban County the year that the Urban County is qualifying.
When Can They Opt Out	Participating UGLGs cannot opt out of an Urban County during a three-year Urban County qualification period. They must wait until the Urban County qualifies again.	Metropolitan Cities cannot opt out of an Urban County during a three-year Urban County qualification period. They must wait until the Urban County qualifies again.
CDBG Allocations and CPD Formula Allocation Methodology	HUD computes a single CDBG allocation for the Urban County as a whole, including the population and demographic data of all Participating UGLGs and all unincorporated areas of the county from the U.S. Census Bureau.	HUD computes a separate CDBG allocation for the Metropolitan City and the Urban County each year, based on their respective population and demographic data from the U.S. Census Bureau.
HUD Grant Agreement	HUD executes one grant agreement with the Urban County for its single CDBG allocation.	HUD combines the two grant allocations and executes one grant agreement with the Urban County for the combined amount of its own allocation and the allocation for the Metropolitan City. (<i>Joint Recipients</i>)
Contractual Relationships	The Urban County has a contractual relationship with HUD. There is no contractual relationship between HUD and Participating UGLGs.	The Urban County has a contractual relationship with HUD because the Urban County is administering their own Urban County CDBG grant AND the Metropolitan City's CDBG grant. The Urban County signs the combined grant agreement with HUD.
Policy on Auto-Renewal of Intergovernmental Agreements (IGAs): <i>Cooperation Agreements</i> and <i>Joint Agreements</i>	<i>Auto-Renewal Cooperation Agreements</i> are permitted. They allow the <i>Cooperation Agreement</i> to “auto-renew” for one additional three-year Urban County qualification period without the Urban County and	<i>Auto-Renewal Joint Agreements</i> are permitted. They allow the <i>Joint Agreement</i> to “auto-renew” for one additional three-year Urban County qualification period without the Urban County

Issue/Topic	<i>Cooperation Agreement</i> (Urban County and Participating UGLG)	<i>Joint Agreement</i> (Urban County and Metropolitan City)
	<p>Participating UGLGs having to reauthorize and re-execute their agreements.</p> <p>NOTE: Changes to HUD guidance (Urban County Notice) or other federal, state, or local laws may require Urban Counties and Participating UGLGs to make amendments to their <i>Cooperation Agreements</i> any year of the six years covered by an <i>Auto-Renewal Cooperation Agreement</i>.</p>	<p>and Metropolitan City(ies) having to reauthorize and re-execute their agreements.</p> <p>NOTE: Changes to HUD guidance (Urban County Notice) or other federal, state, or local laws may require Urban Counties and Metropolitan Cities to make amendments to their <i>Joint Agreements</i> any year of the six years covered by an <i>Auto-Renewal Joint Agreement</i>.</p>
Consolidated Planning	<p>The Urban County must only complete and submit one Consolidated Plan, Annual Action Plan, and CAPER on behalf of the entire Urban County.</p>	<p>The Urban County must only complete and submit one Consolidated Plan, Annual Action Plan, and CAPER, covering both their Urban County and the Metropolitan City(ies), aligning their housing and community development needs.</p>
CDBG Program Requirements	<ul style="list-style-type: none"> • All program requirements (such as the 20% planning and administration cap, the 15% public service cap, the 70% overall benefit requirement) are based on the Urban County’s grant and apply to the Urban County’s CDBG grant (as a whole). • Expenditure caps do not apply separately to the Urban County and each individual sub-award that the Urban County may make to a Participating UGLG. • Low/moderate income summary data and the upper quartile exception criteria apply to the Urban County’s CDBG grant (as a whole). 	<ul style="list-style-type: none"> • All program requirements (such as the 20% planning and administration cap, the 15% public service cap, and the 70% overall benefit requirement) are based on the combined grant amount and apply to the Urban County’s CDBG grant (as a whole). • Expenditure caps do not apply separately to the Metropolitan City’s CDBG grant and the Urban County’s grant. • Low/moderate income summary data and the upper quartile exception criteria are based on the Urban County grant (as a whole) and do not apply separately to the Metropolitan City’s grant and the Urban County’s grant.
Impact on the HOME and ESG Programs	<ul style="list-style-type: none"> • When UGLGs become Participating UGLGs in an Urban County for the CDBG Program, 	<ul style="list-style-type: none"> • If the Metropolitan City qualifies to receive a separate allocation of HOME funds, the Metropolitan City has three options:

Issue/Topic	<i>Cooperation Agreement</i> (Urban County and Participating UGLG)	<i>Joint Agreement</i> (Urban County and Metropolitan City)
	<p>they are part of the Urban County for the HOME and ESG programs as well.</p> <ul style="list-style-type: none"> • Participating UGLGs may only receive HOME and ESG formula-allocated funds from the Urban County. Even if the Urban County does not receive a HOME formula allocation, Participating UGLGs cannot form their own HOME consortium or join another HOME consortium. • If the state allows it, both the Urban County and Participating UGLGs can seek additional HOME and/or ESG funding from the state. 	<ol style="list-style-type: none"> 1. Form a HOME consortium with the Urban County (the Metropolitan City will be included as part of the Urban County when HUD calculates HOME allocations for the county). 2. Continue to receive a separate allocation of HOME funds but have the Urban County administer their HOME funds. 3. Administer its own HOME program.

Attachment 6: Urban County Qualification Scenarios Comparison Table

Urban County Requirements	REQUALIFIERS: <i>Currently qualified Urban Counties requalifying this year</i>	REQUALIFYING NEXT YEAR OR YEAR AFTER NEXT: <i>Currently qualified Urban Counties requalifying next year or year after next</i>	FIRST-TIME QUALIFIERS: <i>New counties seeking to qualify as an Urban County for the first time this year</i>
Determination of Essential Powers GO TO SECTION 2.7	HUD may rely on a previous Determination of Essential Powers (unless there is evidence that essential powers may have changed).	HUD does not conduct a Determination of Essential Powers for Urban Counties during a qualification period.	HUD OGC Field or Regional Counsel must certify a Determination of Essential Powers.
Urban County Participation Decision Letters for Participating and Nonparticipating UGLGs GO TO SECTION 3.3	The Urban County must send letters to all its UGLGs (regardless of past participation) to determine their participation decisions for the upcoming qualification period. <ul style="list-style-type: none"> • <i>If the county has essential powers in UGLGs:</i> the county’s letter must inform them of their right to be excluded from the Urban County, and that if they do not respond to the letter, they will be included in the Urban County for the next qualification period. • <i>If the county has Auto-Renewal Cooperation Agreements in place:</i> the county’s letter must inform Participating UGLGs of their right to opt out of the agreement and to be excluded from the Urban County for the upcoming qualification period. • <i>If the county has “split places”:</i> the county’s letter must inform any “split” UGLGs of their participation options for the upcoming qualification period. 	<u>OPTIONAL:</u> The county may choose to send a letter to <i>Nonparticipating UGLGs</i> (if any) informing them that they may join the Urban County as a <i>Participating UGLG</i> for the rest of the current qualification period (1–2 years). <ul style="list-style-type: none"> • <i>If an UGLG decides to join the Urban County:</i> In general, the Urban County and the new Participating UGLG must authorize and execute a <i>Cooperation Agreement</i>. 	The county must send letters to all its UGLGs to determine their participation decisions for the upcoming qualification period. <ul style="list-style-type: none"> • <i>If the county has essential powers in UGLGs:</i> the county’s letter must inform them of their right to be excluded from the Urban County, and that if they do not respond to the letter, they will be included in the Urban County for the next three FYs. • <i>If the county has “split places”:</i> the county’s letter must inform any “split” UGLGs of their participation options for the next qualification period.

Urban County Requirements	REQUALIFIERS: <i>Currently qualified Urban Counties requalifying this year</i>	REQUALIFYING NEXT YEAR OR YEAR AFTER NEXT: <i>Currently qualified Urban Counties requalifying next year or year after next</i>	FIRST-TIME QUALIFIERS: <i>New counties seeking to qualify as an Urban County for the first time this year</i>
<p><i>Urban County Participation Decision Letters for Metropolitan Cities</i></p> <p>GO TO SECTION 3.3</p>	<ul style="list-style-type: none"> The Urban County must communicate with previously identified potential Metropolitan Cities to determine their participation decisions for the upcoming qualification period. The Urban County must communicate with newly identified potential new Metropolitan Cities (identified in most recent U.S. Census data) to determine their participation decisions for the upcoming qualification period. 	<p>No action is required because the Urban County is in the middle of a qualification period.</p> <p><u>NOTE 1:</u> Metropolitan Cities that are under a <i>Joint Agreement</i> or relinquished their CDBG Entitlement status to become a Participating UGLG may not withdraw from the Urban County during a qualification period.</p> <p><u>NOTE 2:</u> Participating UGLGs that surpass a population of 50,000 (become eligible to be a Metropolitan City) may not withdraw from the Urban County during a qualification period.</p>	<p>In general, the potential new Urban County must send official letters to any Metropolitan Cities notifying them of the opportunity to participate in the new Urban County for the upcoming qualification period either by:</p> <ul style="list-style-type: none"> relinquishing their CDBG Entitlement status as a Metropolitan City and executing a <i>Cooperation Agreement</i> with the county to become a Participating UGLG in the Urban County’s CDBG grant program; <p>OR</p> <ul style="list-style-type: none"> retaining their CDBG Entitlement status as a Metropolitan City and executing a <i>Joint Agreement</i> with the Urban County to administer their CDBG program for them. <p><u>NOTE:</u> Metropolitan Cities have every right to keep their CDBG Entitlement status (continue administering their own CDBG grant program independently) and not participate in the new Urban County.</p>
<p><i>Cooperation Agreements (with Participating UGLGs)</i></p> <p>GO TO ATTACHMENT 3</p>	<ul style="list-style-type: none"> If the Urban County has regular <i>Cooperation Agreements</i> in place with Participating UGLGs, they must execute new <i>Cooperation Agreements</i> with Participating UGLGs If the Urban County has <i>Auto-Renewal Cooperation Agreements</i> in place, they must make any required amendments to their 	<p>No action is required because the Urban County is in the middle of a qualification period.</p> <ul style="list-style-type: none"> If the Urban County adds Nonparticipating UGLGs to their Urban County as new Participating UGLGs for the rest of its current qualification period, they must execute <i>Cooperation Agreements</i> with the new 	<p>If the county does not have essential powers in its UGLGs (most counties), they must execute <i>Cooperation Agreements</i> between their county and Participating UGLGs</p>

Urban County Requirements	REQUALIFIERS: <i>Currently qualified Urban Counties requalifying this year</i>	REQUALIFYING NEXT YEAR OR YEAR AFTER NEXT: <i>Currently qualified Urban Counties requalifying next year or year after next</i>	FIRST-TIME QUALIFIERS: <i>New counties seeking to qualify as an Urban County for the first time this year</i>
	<p><i>Cooperation Agreements with Participating UGLGs for the next qualification period. (Please note that <i>Auto-Renewal Cooperation Agreements</i> may only be in effect for six FYs beginning in FY 2027.)</i></p>	<p>Participating UGLGs and submit the <i>Cooperation Agreements</i> to HUD.</p>	
<p><i>Joint Agreements (with Metropolitan Cities)</i> GO TO ATTACHMENT 4</p>	<p>If a Metropolitan City within the Urban County wants the Urban County to administer its CDBG grant program, the county and the Metropolitan City must submit a <i>Joint Request</i> to their CPD field office and execute a <i>Joint Agreement</i>.</p>	<p>No action is required because the Urban County is in the middle of a qualification period; <i>Joint Agreements</i> can only be executed at the time an Urban County is qualifying. (24 CFR 570.308)</p>	<p>If a Metropolitan City within the county wants the county to administer its CDBG program, the county and the Metropolitan City must submit a <i>Joint Request</i> to their CPD field office and execute a <i>Joint Agreement</i>.</p>
<p>Documents That Must be Submitted to HUD in the Urban County Qualification Package GO TO SECTION 3</p>	<ol style="list-style-type: none"> 1. All <i>Urban County Participation Decision Letters</i> exchanged between the Urban County, UGLGs, and Metropolitan Cities about participation in the Urban County 2. <i>Cooperation Agreements</i> with Participating UGLGs (if applicable) 3. <i>Joint Agreements</i> with Metropolitan Cities (if applicable) 4. Amendments to <i>Cooperation or Joint Agreements</i> (if applicable) 5. <i>County Counsel Legal Opinion Letter</i> 	<p>No action is required because the Urban County is in the middle of a qualification period.</p> <p>If the Urban County is adding new Participating UGLGs to the Urban County, they must submit:</p> <ol style="list-style-type: none"> 1. <i>Urban County Participation Decision Letters</i> sent to Nonparticipating UGLGs and response letters received 2. New <i>Cooperation Agreements</i> with new Participating UGLGs (if applicable) 3. Updated <i>County Counsel Legal Opinion Letter</i> 	<ol style="list-style-type: none"> 1. All <i>Urban County Participation Decision Letters</i> exchanged between the potential new Urban County, UGLGs, and Metropolitan Cities about participation in the Urban County 2. <i>Cooperation Agreements</i> with Participating UGLGs (if applicable) 3. <i>Joint Agreements</i> with Metropolitan Cities (if applicable) 4. <i>County Counsel Legal Opinion Letter</i>



Town of Monument Use Tax Ballot Measure Survey

May 2026



Town of Monument Voter Registration and Turnout Demographics

Town of Monument Magellan Strategies Voter Registration and Past Election Turnout Report

Sex	Registration		2024		2023		2022		2021		2020	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Female	5,158	50.5%	4,061	51.4%	1,973	50.5%	3,008	50.8%	1,688	50.1%	3,345	51.2%
Male	5,061	49.5%	3,842	48.6%	1,931	49.5%	2,916	49.2%	1,679	49.9%	3,193	48.8%
Total	10,219	100.0%	7,903	100.0%	3,904	100.0%	5,923	100.0%	3,366	100.0%	6,537	100.0%

Age Group	Registration		2024		2023		2022		2021		2020	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
18-34	2,769	27.1%	1,790	22.6%	472	12.1%	1,001	16.9%	396	11.8%	1,482	22.7%
35-44	1,784	17.5%	1,388	17.6%	595	15.2%	1,076	18.2%	517	15.4%	1,214	18.6%
45-54	1,923	18.8%	1,624	20.5%	803	20.6%	1,311	22.1%	728	21.6%	1,448	22.2%
55-64	1,817	17.8%	1,542	19.5%	940	24.1%	1,311	22.1%	831	24.7%	1,311	20.1%
65+	1,926	18.8%	1,559	19.7%	1,094	28.0%	1,224	20.7%	894	26.6%	1,082	16.6%
Total	10,219	100.0%	7,903	100.0%	3,904	100.0%	5,923	100.0%	3,366	100.0%	6,537	100.0%

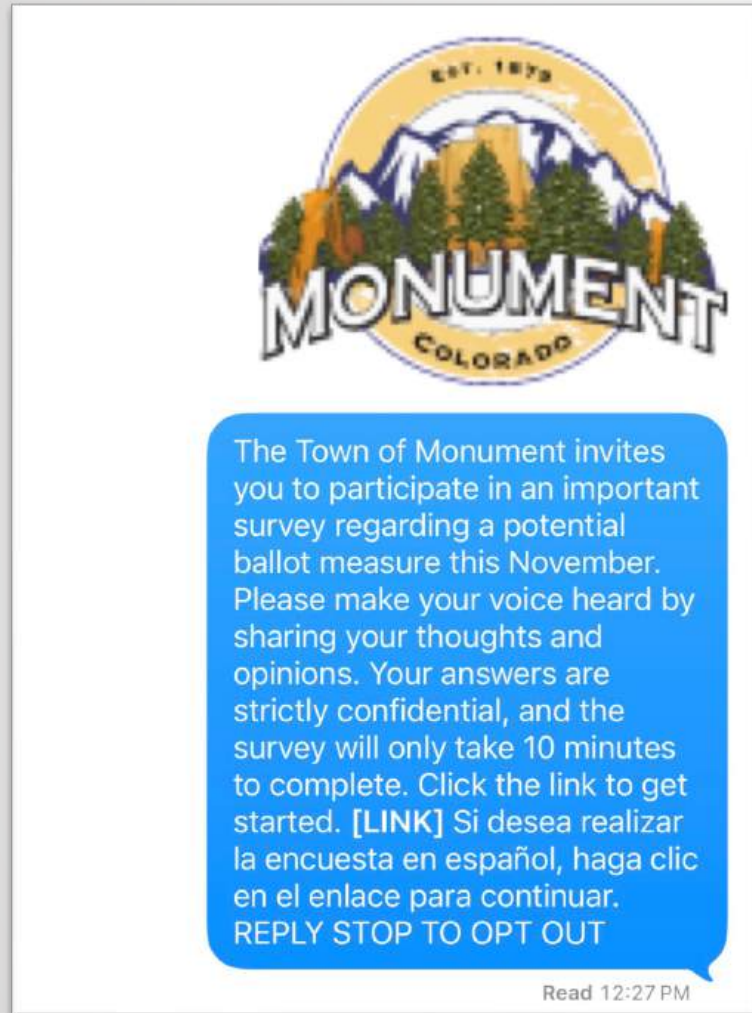
Party	Registration		2024		2023		2022		2021		2020	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Unaffiliated	5,195	50.8%	3,690	46.7%	1,652	42.3%	2,479	41.9%	1,281	38.1%	2,596	39.7%
Democrat	1,167	11.4%	994	12.6%	509	13.0%	768	13.0%	466	13.8%	866	13.2%
Republican	3,627	35.5%	3,069	38.8%	1,694	43.4%	2,584	43.6%	1,572	46.7%	2,956	45.2%
Libertarian	132	1.3%	92	1.2%	38	1.0%	71	1.2%	39	1.2%	95	1.5%
Other	98	1.0%	58	0.7%	11	0.3%	21	0.4%	8	0.2%	24	0.4%
Total	10,219	100.0%	7,903	100.0%	3,904	100.0%	5,923	100.0%	3,366	100.0%	6,537	100.0%

Methodology

Magellan Strategies is pleased to present the results of a community survey of 636 adult residents within the Town of Monument, Colorado.

The interviews were conducted from May 13th to 19th, 2026. This survey has a margin of error of +/- 3.76% at the 95 percent confidence interval.

The survey data were weighted to represent the voter turnout demographics of a mid-term election for the Town of Monument.



Key Takeaways & Opportunities

Initial opposition to the use tax measure shifted dramatically after voters received additional information:

Before voters were given detailed information, the proposed 1.5% use tax increase was underwater, with only 39% supporting and 55% opposing the measure. However, after respondents read information about how the funding would specifically be used for roads, bridges, and infrastructure projects, support increased to 64% while opposition dropped to 31% – a net positive swing of 25 points. This indicates the measure is highly message-sensitive and that education and project specificity are critical to building voter support.

Voters strongly support infrastructure investment, particularly when tied to growth and development impacts: Residents expressed broad concern about roads, traffic congestion, deteriorating infrastructure, and unfinished transportation projects like Jackson Creek Parkway. The strongest-performing informational messages focused on:

- Funding being dedicated only to roads, streets, bridges, and infrastructure (68% more likely to support)
- Completing the Jackson Creek Parkway widening project (64% more likely to support)
- The idea that developers and builders would bear more of the cost because of construction material purchases (63% more likely to support)

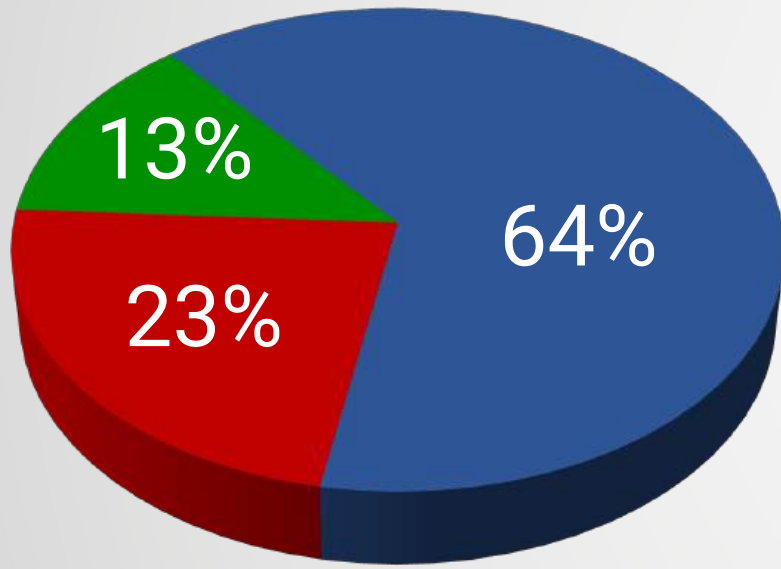
Open-ended responses reinforced that many residents believe growth should “pay for itself,” and that developers should contribute more toward infrastructure impacts caused by rapid expansion.

Key Takeaways & Opportunities

Trust and accountability remain the largest potential vulnerabilities for the measure: While residents generally approve of the Town's services (64% approve) and Public Works Department performance (66% approve), fewer than half (49%) agree that the Town is fiscally responsible and spends taxpayer money wisely.

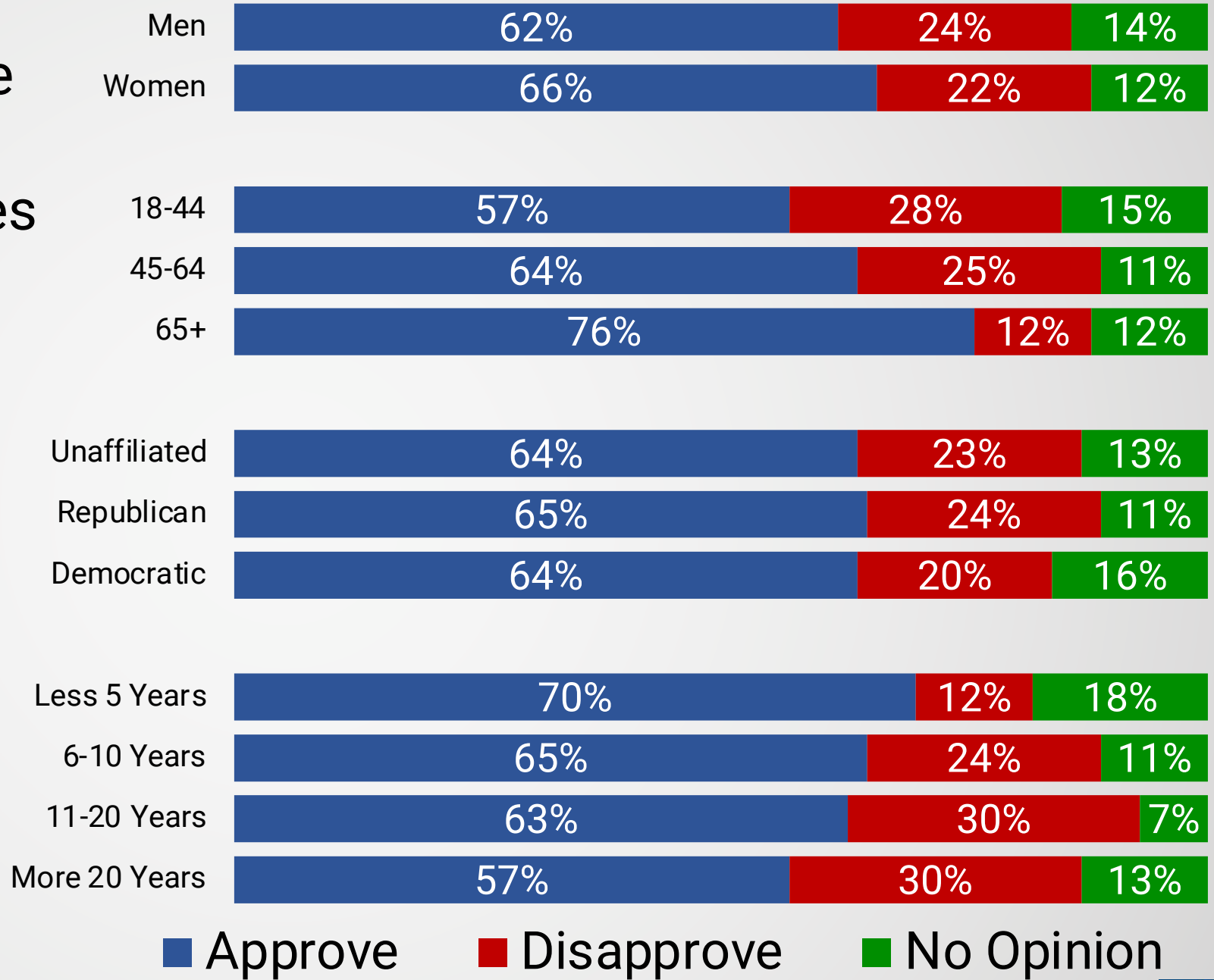
Opposition comments repeatedly centered on distrust in town leadership, concerns about financial management, and skepticism that new revenue would be spent appropriately. Many voters said support would depend on guarantees that funds are legally dedicated to infrastructure and not diverted elsewhere.

Do you approve or disapprove of the job the Town of Monument is doing in providing services to residents?

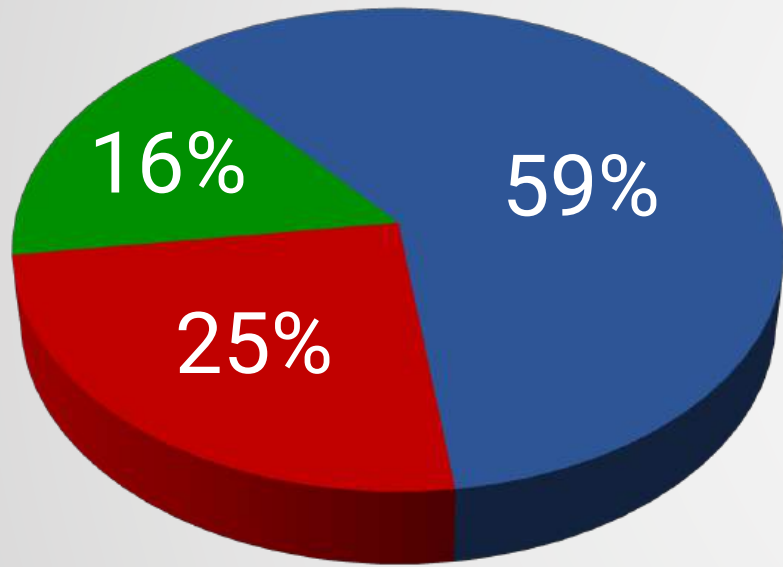


■ Approve
■ Disapprove
■ No Opinion

Strongly Approve	13%
Somewhat Approve	51%
Strongly Disapprove	9%
Somewhat Disapprove	14%

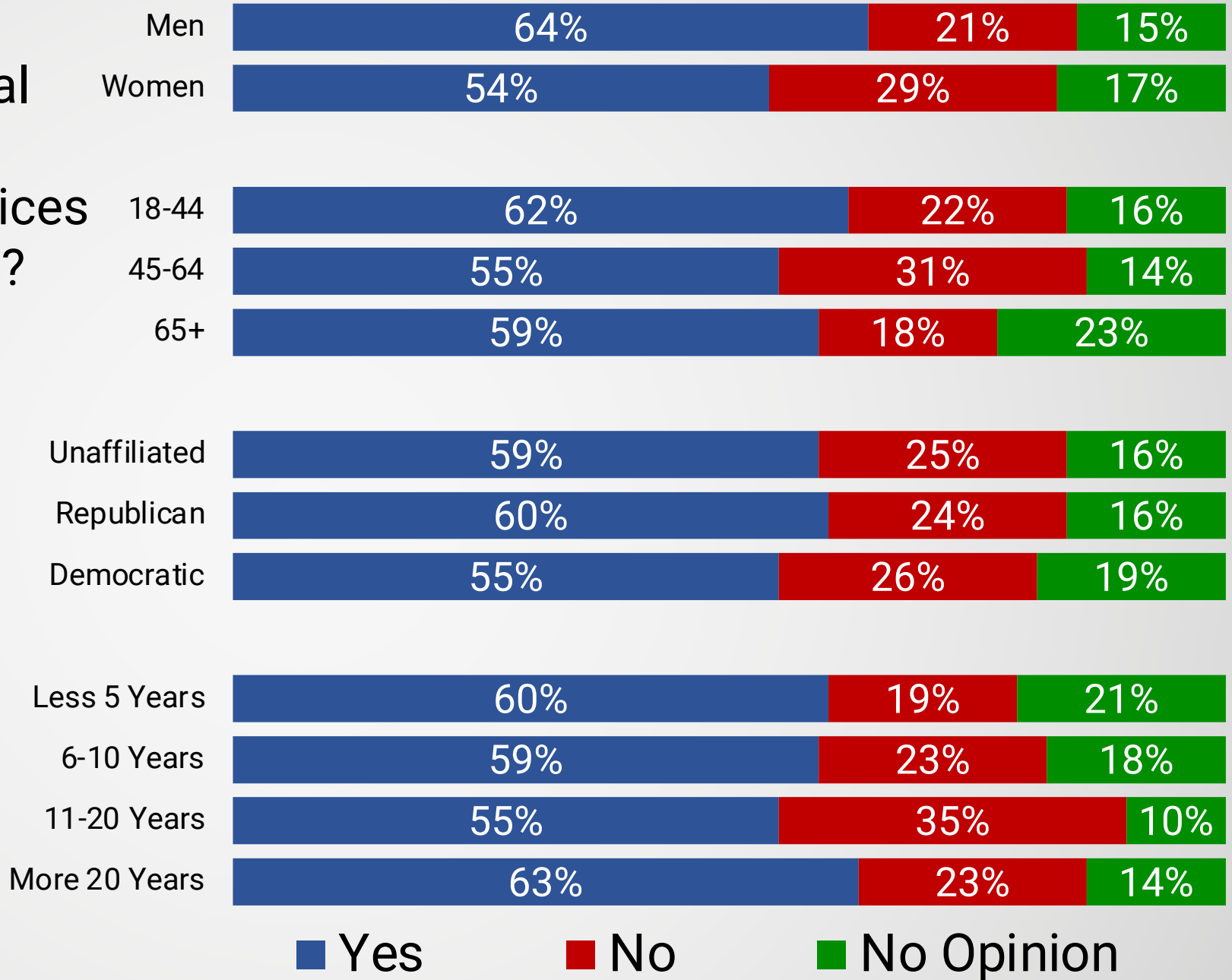


Do you think the Town of Monument has the financial resources to provide an acceptable level of town services and programs to residents?



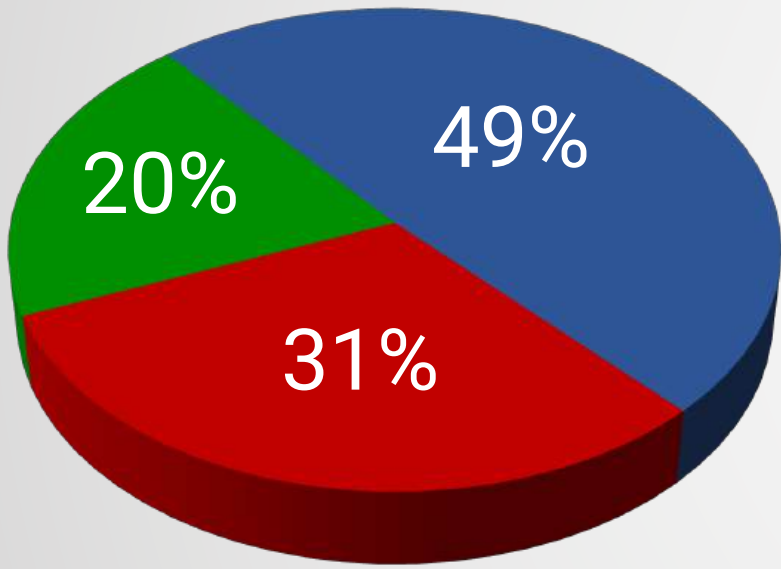
■ Yes
■ No
■ No Opinion

Definitely Yes	15%
Probably Yes	44%
Definitely Not	6%
Probably Not	19%



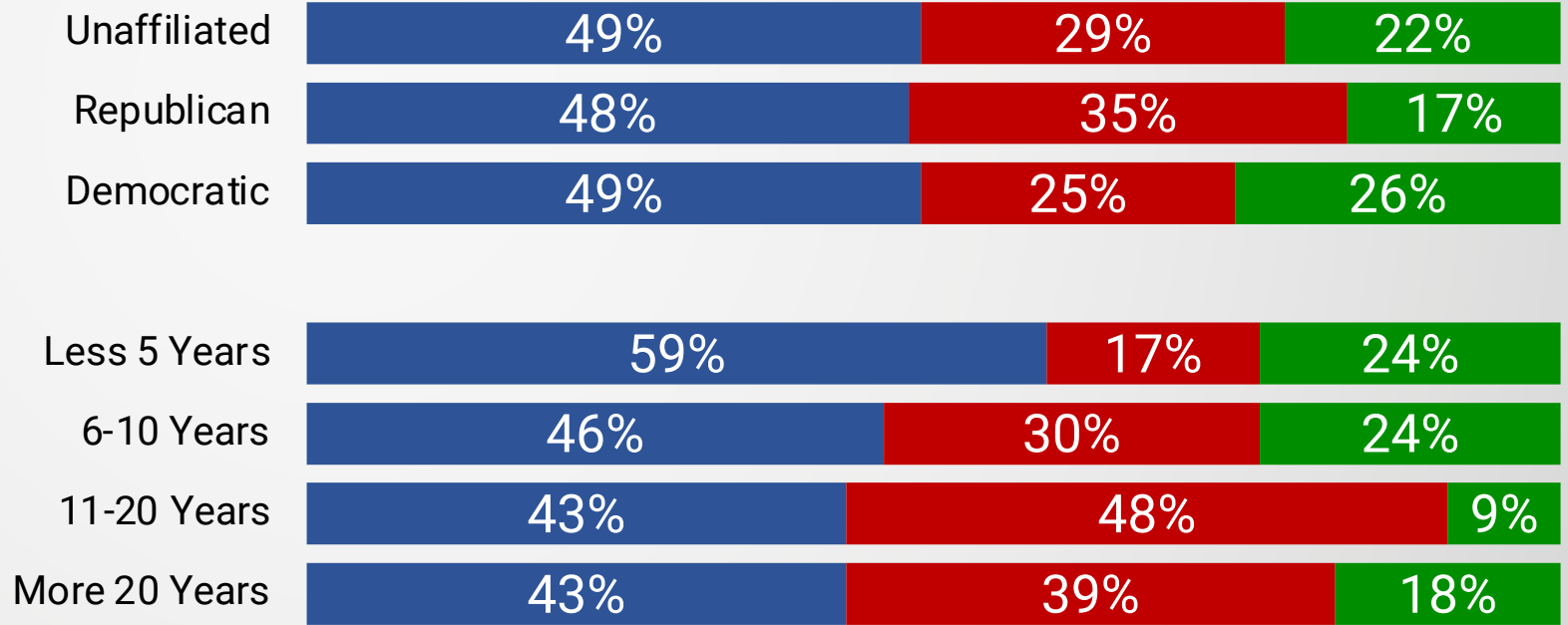
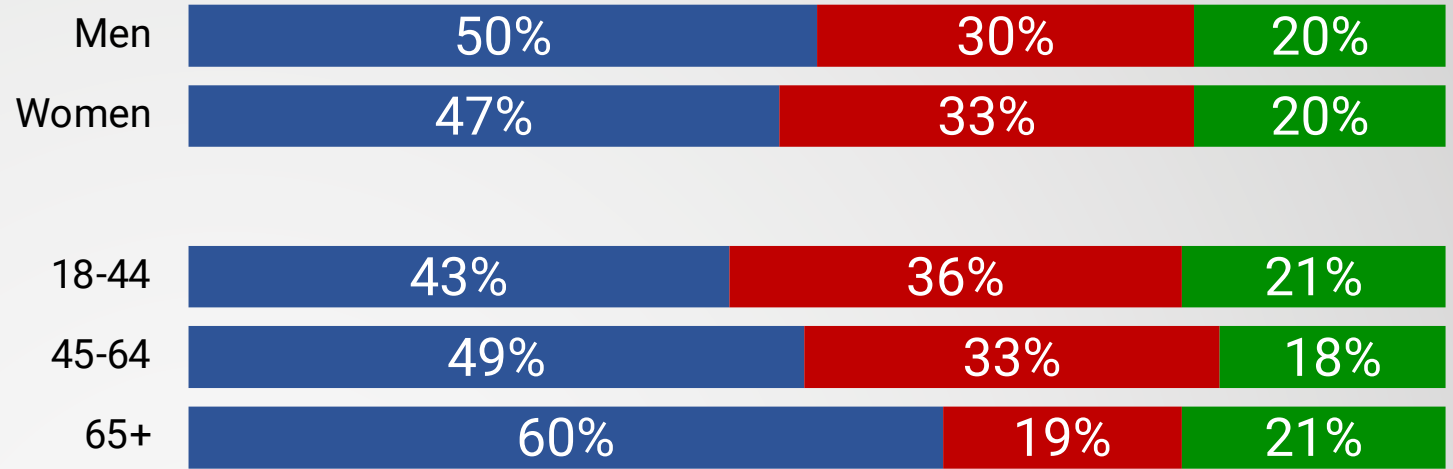
Do you agree or disagree with the following statement?

“The Town of Monument is fiscally responsible and spends taxpayer money wisely.”



■ Agree
■ Disagree
■ No Opinion

Strongly Agree	10%
Somewhat Agree	39%
Strongly Disagree	13%
Somewhat Disagree	18%

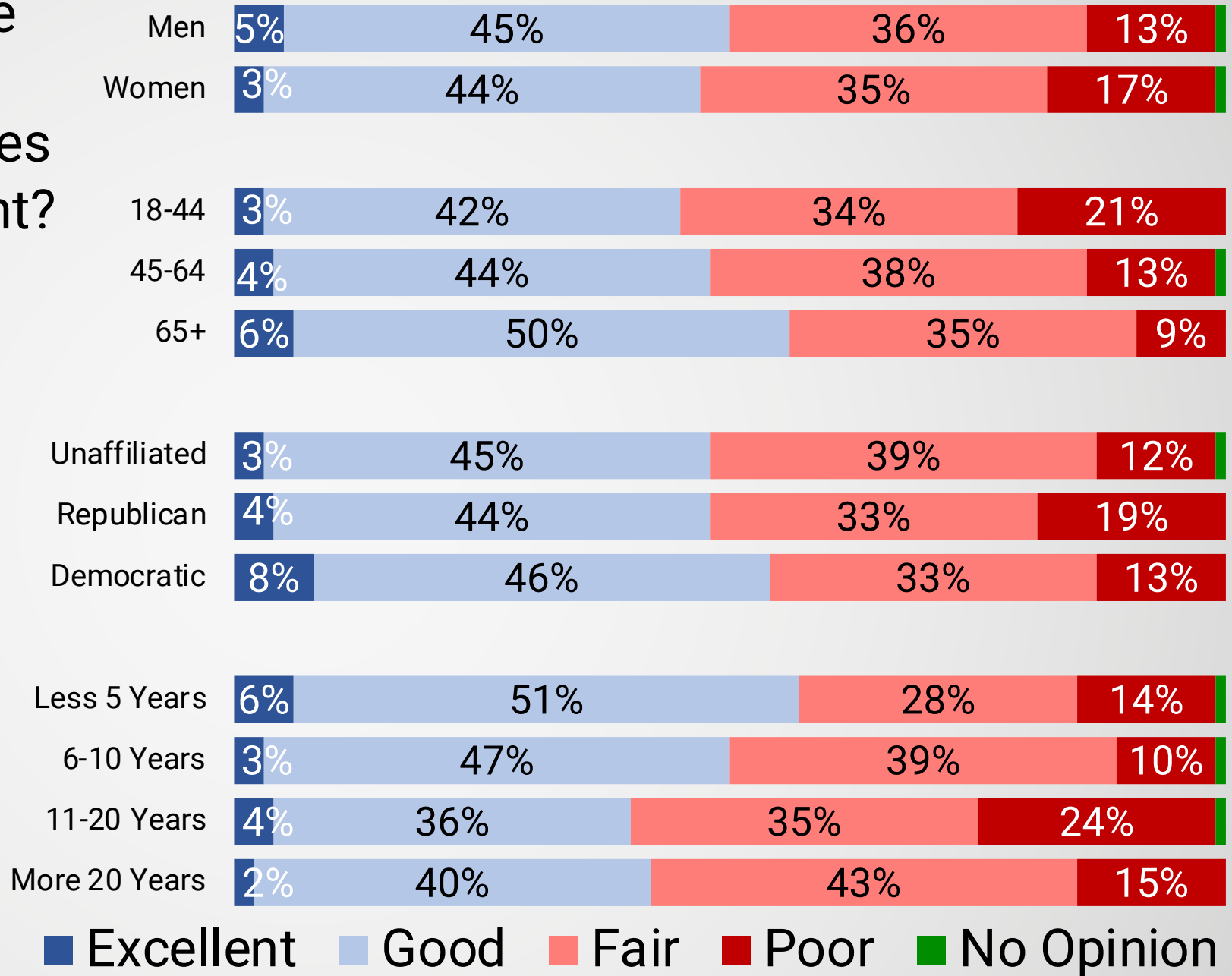
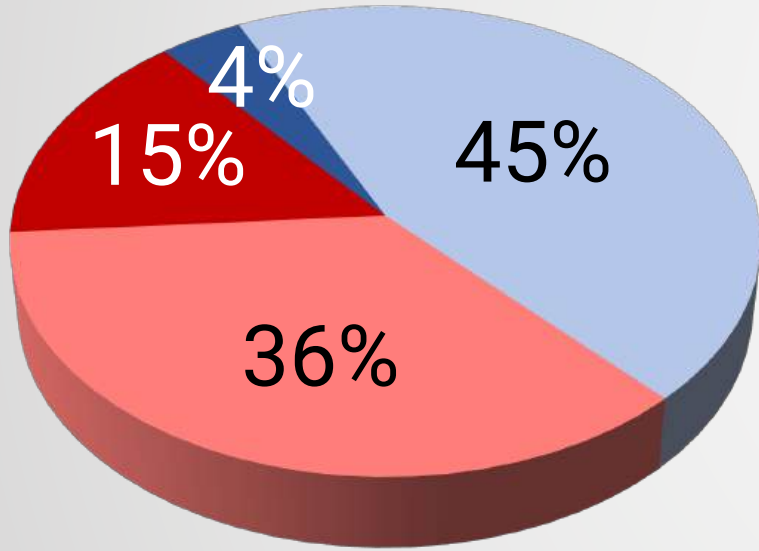


■ Agree ■ Disagree ■ No Opinion

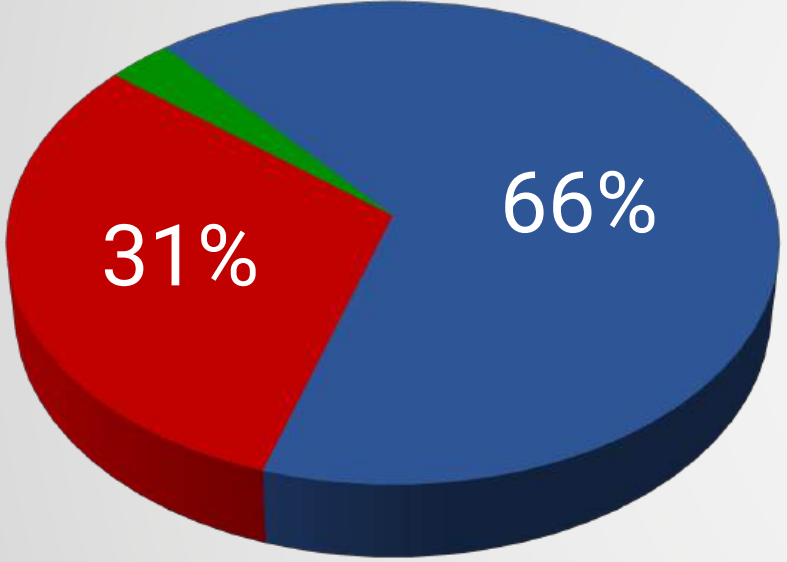


How would you rate the condition of the major streets, roads, and bridges in the Town of Monument?

Excellent & Good	49%
Fair & Poor	51%

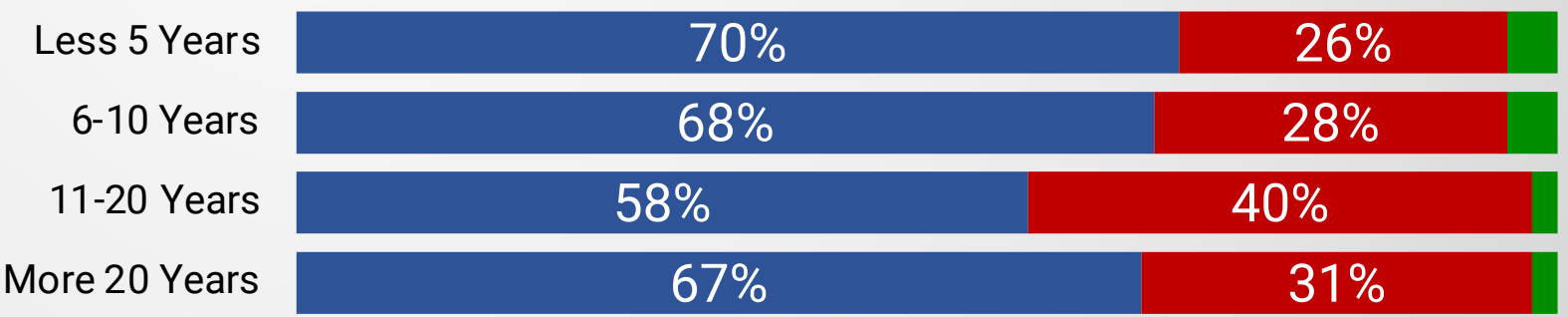
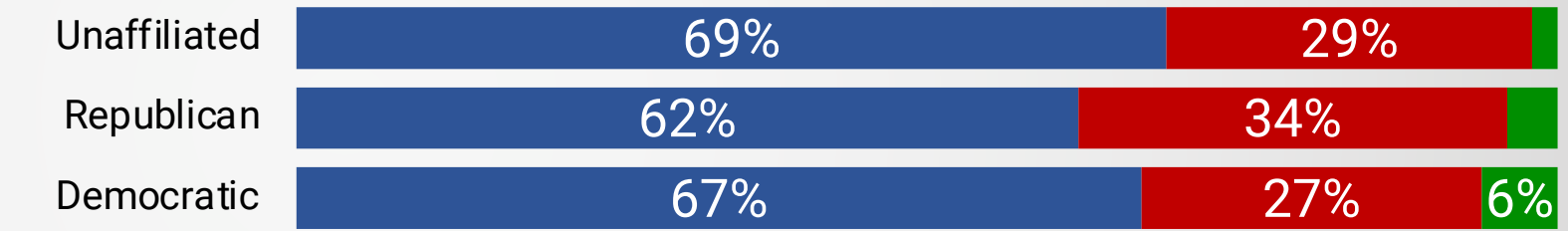
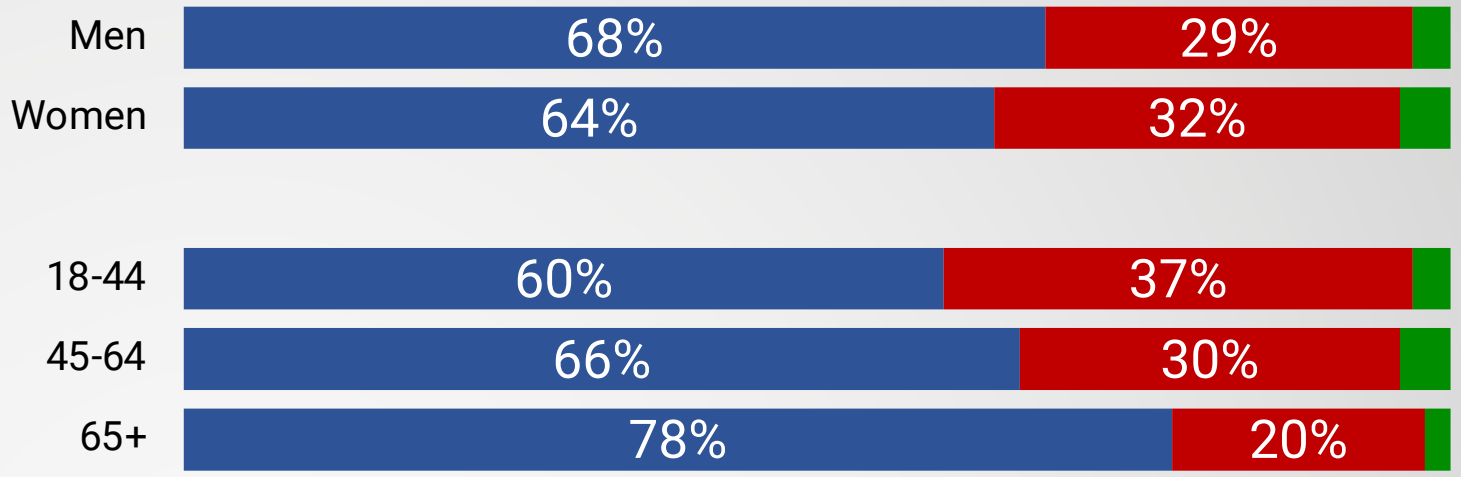


Do you approve or disapprove of the job the Town of Monument Public Works Department is doing to maintain the town's streets, roads, and bridges?



■ Approve
 ■ Disapprove
 ■ No Opinion

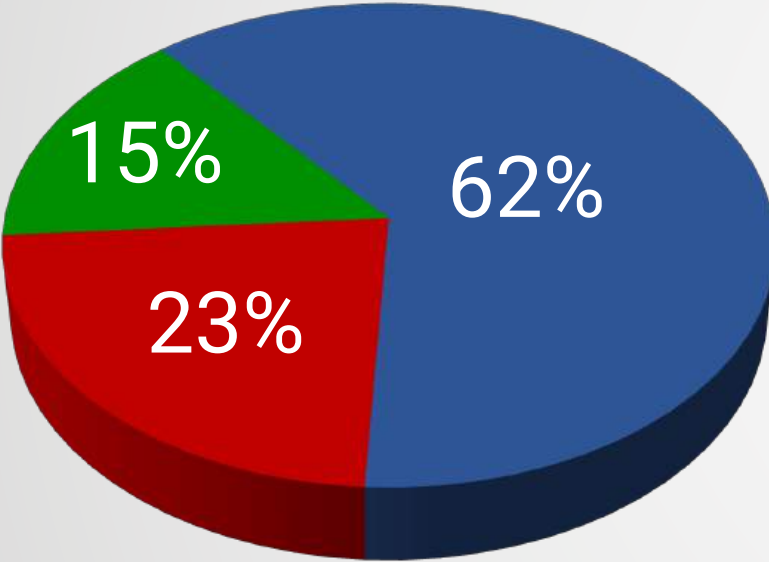
Strongly Approve	16%
Somewhat Approve	50%
Strongly Disapprove	9%
Somewhat Disapprove	22%



■ Approve ■ Disapprove ■ No Opinion

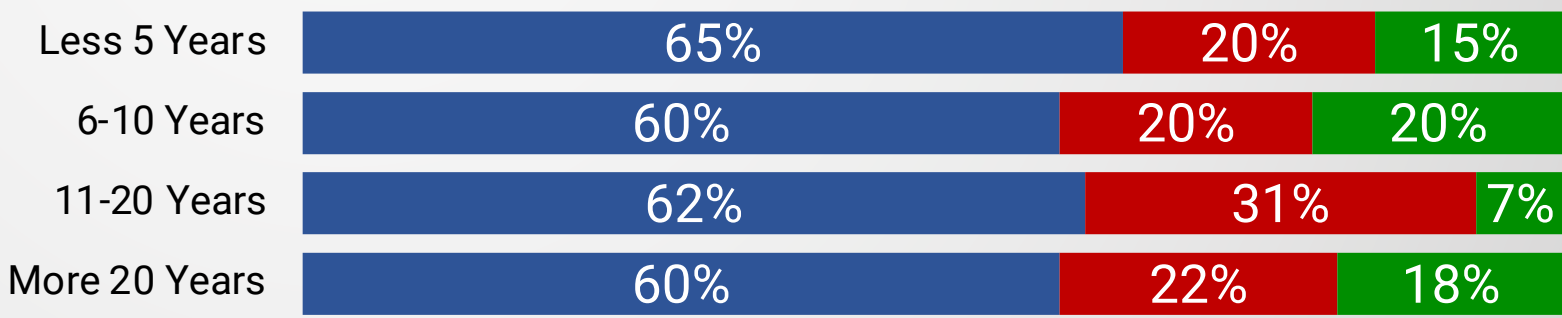
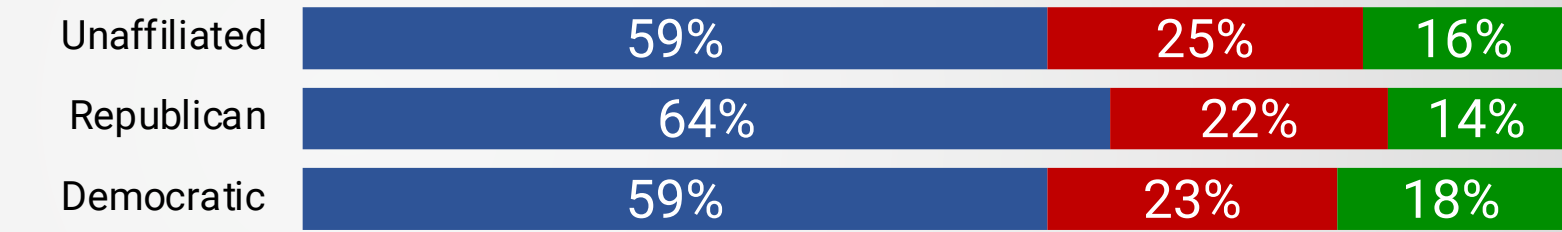
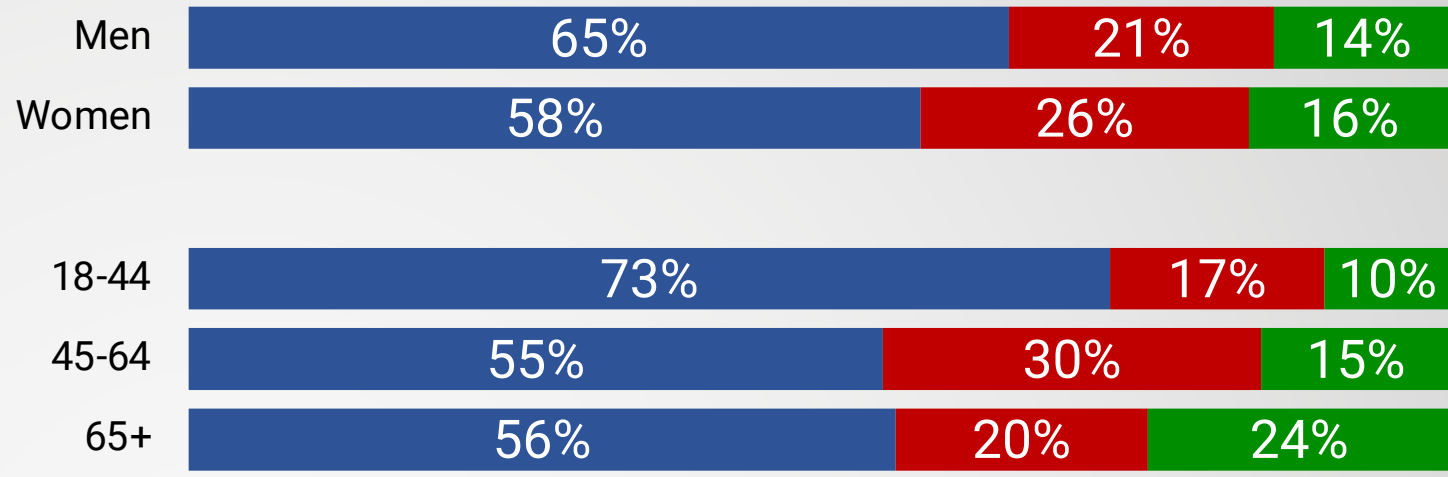


Do you think the Town of Monument has the financial resources needed to adequately maintain, repair, and improve the town's streets, roads, and bridges?



■ Yes
 ■ No
 ■ No Opinion

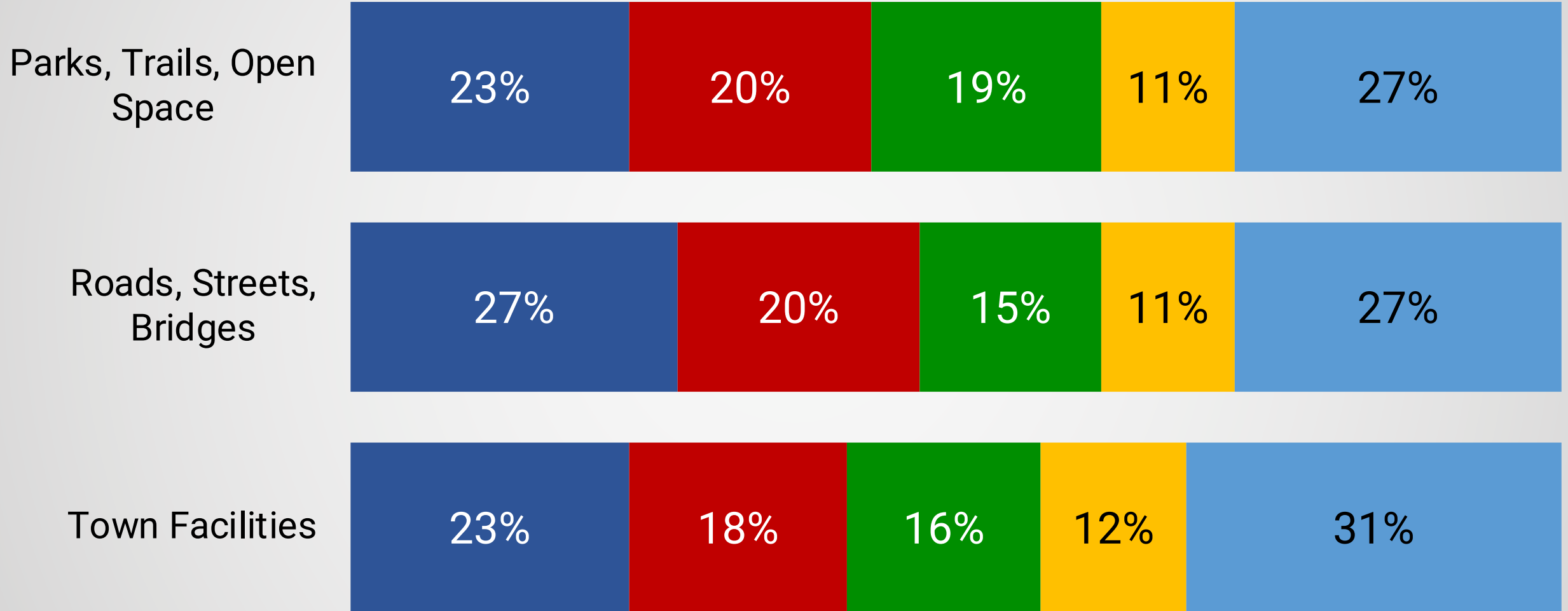
Definitely Yes	17%
Probably Yes	45%
Definitely Not	5%
Probably Not	18%



■ Yes ■ No ■ No Opinion



Which of the following options would you prefer the Town of Monument use to pay for these services and programs?



■ Sales Tax ■ Property Tax ■ Lodging Tax ■ Use Tax ■ Unsure



Town of Monument Uninformed 1.5% Use Tax Ballot Measure

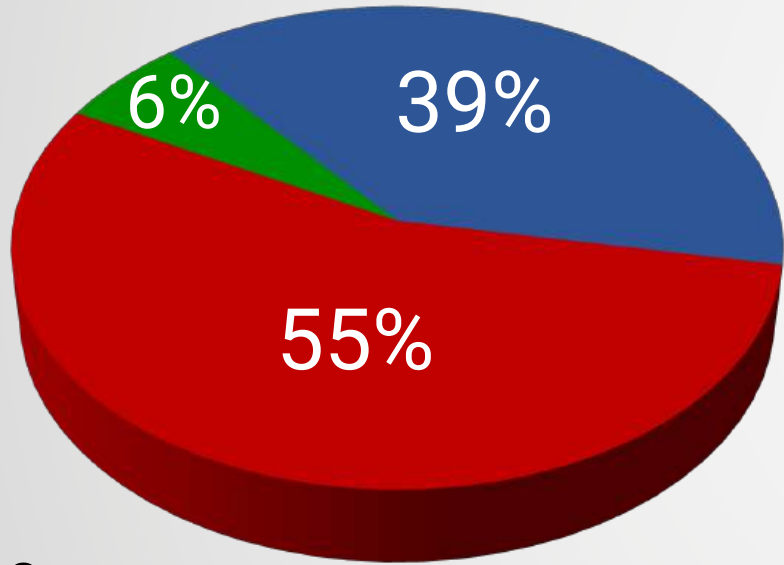


Before we continue, it is important to understand that the Town of Monument has made no decisions to put any ballot measures before voters for any purpose this November. Your participation in this survey and sharing your honest opinions will influence those decisions. Let's continue...

Town of Monument Uninformed

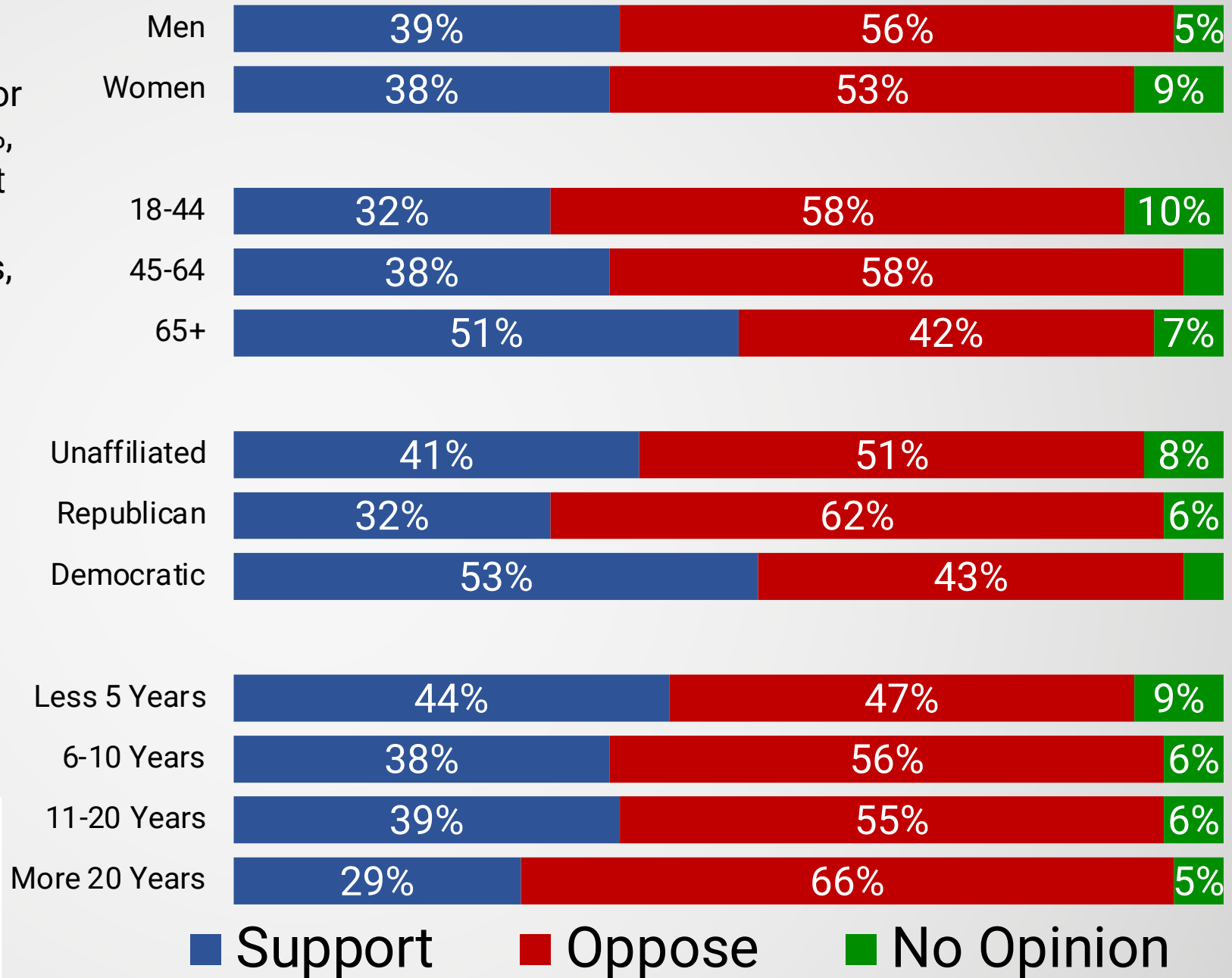
1.5% Use Tax Ballot Measure

Generally speaking, would you support or oppose a local use tax increase of 1.5%, making the use tax equal to the current sales tax, to generate new funding for construction and maintenance of roads, streets, and bridges?



Strongly Support	11%
Somewhat Support	28%
Strongly Oppose	33%
Somewhat Oppose	22%

- Support
- Oppose
- No Opinion



- Support
- Oppose
- No Opinion



Information Questions

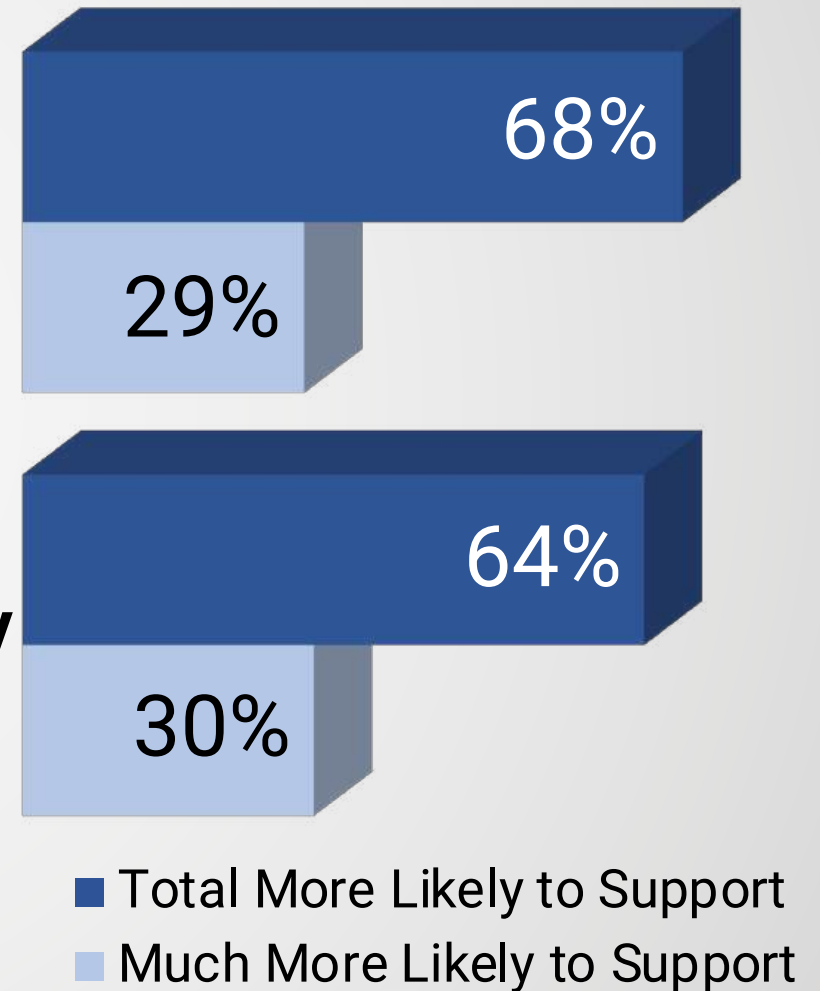


Below is some information on why the Town of Monument is considering a ballot measure to increase the current use tax by 1.5% to match the town's current sales tax. After reading the information, please indicate if you are more likely to support the use tax or if you are more likely to oppose it. Let's get started:

Town of Monument Use Tax Ballot Measure Information Questions

If the ballot measure were to pass, the funding received from the increase in use tax would **only be used for road, street, and bridge maintenance and infrastructure.**

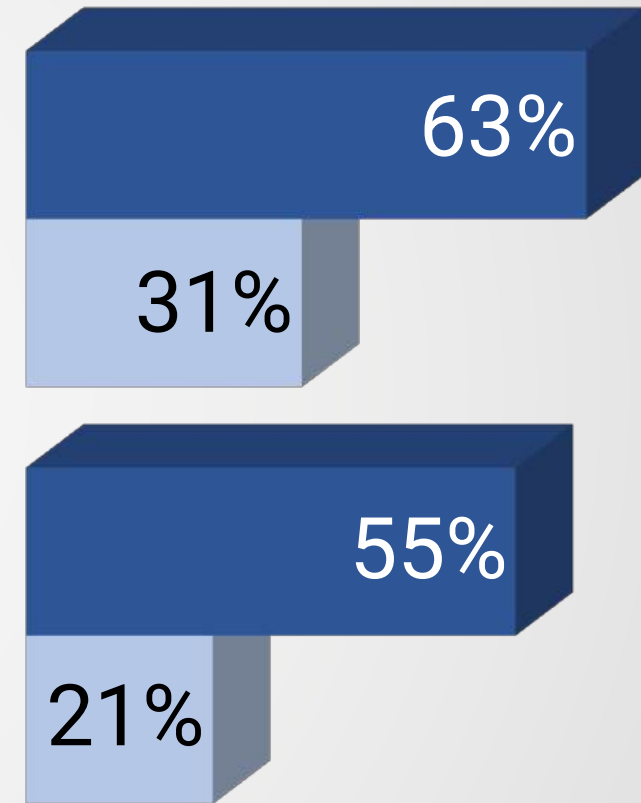
Currently, the Town of Monument does not have the funding to **complete the Jackson Creek Parkway project, to widen the parkway from Higby Road to Fat Tire Drive.** If the ballot measure were to pass, the Town of Monument would be able to complete the project.



Town of Monument Use Tax Ballot Measure Information Questions

A use tax typically **impacts developers or builders more noticeably** because they frequently purchase building materials from out-of-state or without sales tax collected. Therefore, they may feel a larger share of the impact because of the volume and cost of materials.

Another project the Town of Monument would be able to focus on if the ballot measure passes would be to update the **bridge on Mt. Herman Road**.

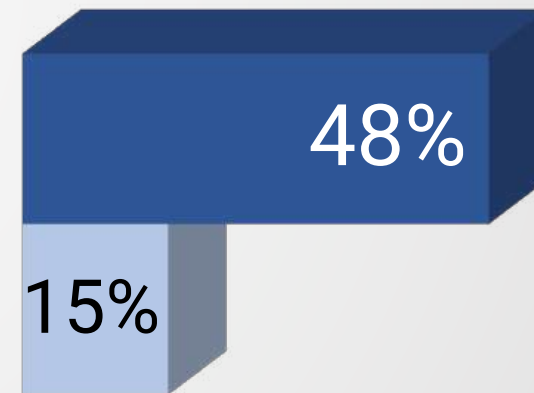
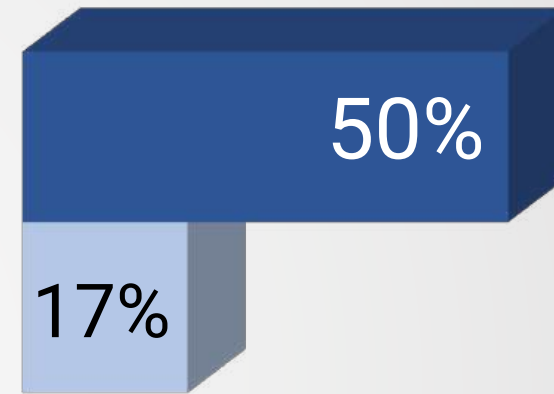


- Total More Likely to Support
- Much More Likely to Support

Town of Monument Use Tax Ballot Measure Information Questions

The Town of Monument currently has a 3.5% sales tax. **The Town is considering increasing the use tax by 1.5%, which would bring the total use tax rate to 3.5%, the same as the sales tax.**

As you may know, a sales tax is paid at the time you buy something in a store or online. The seller collects the tax and sends it to the local government. **A use tax is paid when sales tax was not charged at the time of purchase, typically for purchases like construction materials or permits.** The buyer is then responsible for paying the tax later.



- Total More Likely to Support
- Much More Likely to Support

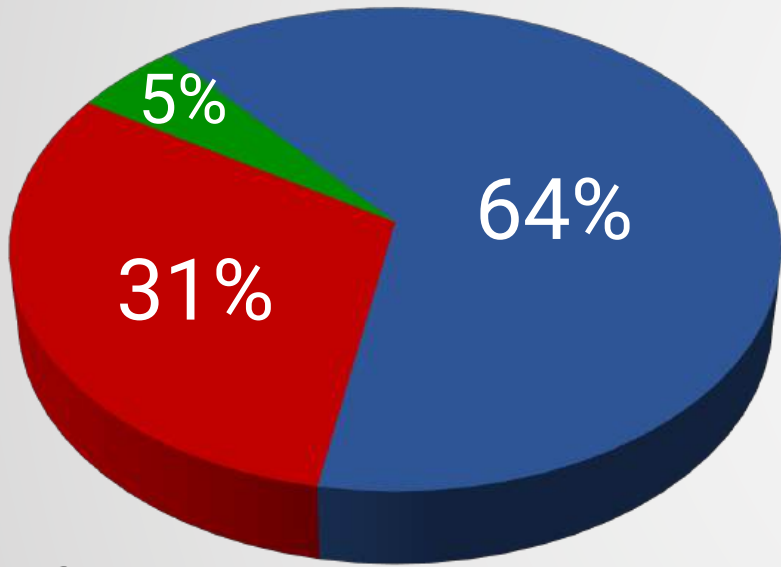
Town of Monument Informed 1.5% Use Tax Ballot Measure



Thank you for reading more information about why the Town of Monument is considering a ballot measure to increase the use tax by 1.5%, making it equal to the current sales tax. Again, the additional funding would be used for the construction and maintenance of roads, streets, and bridges. Knowing this, would you support or oppose increasing the local use tax by 1.5%?

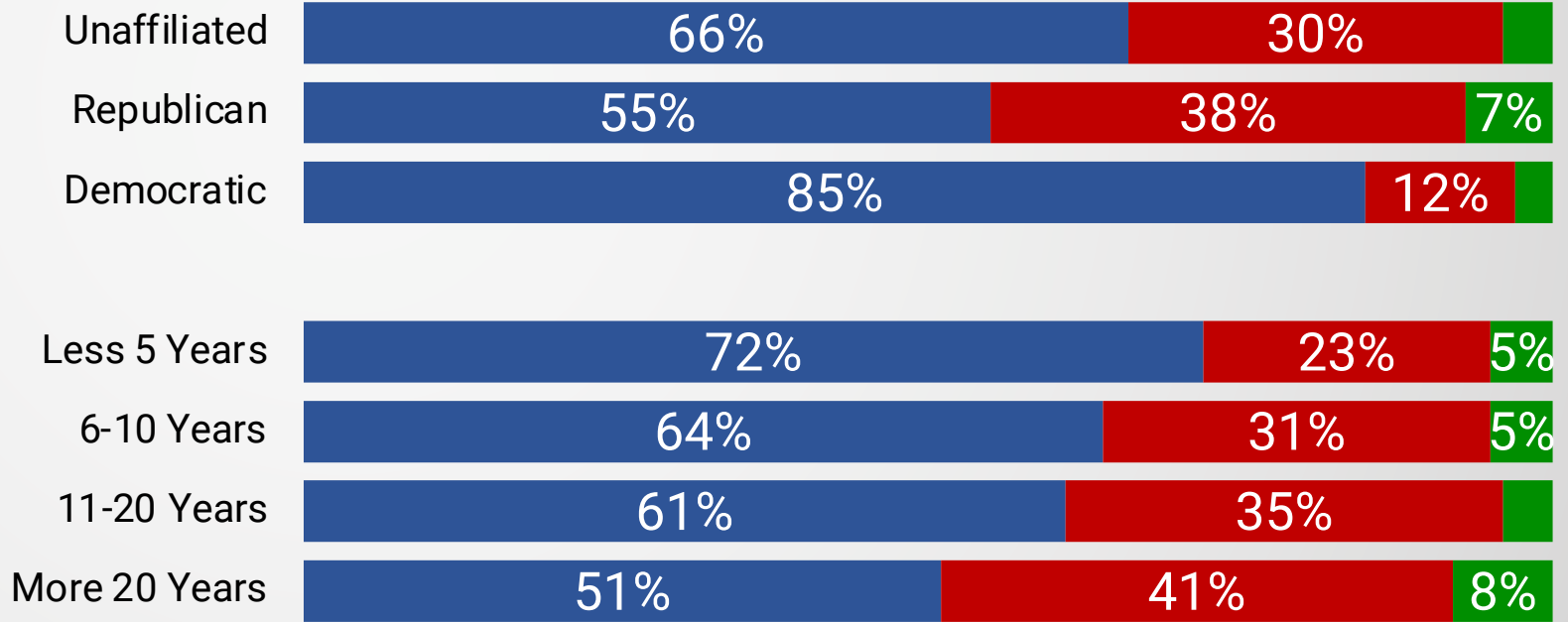
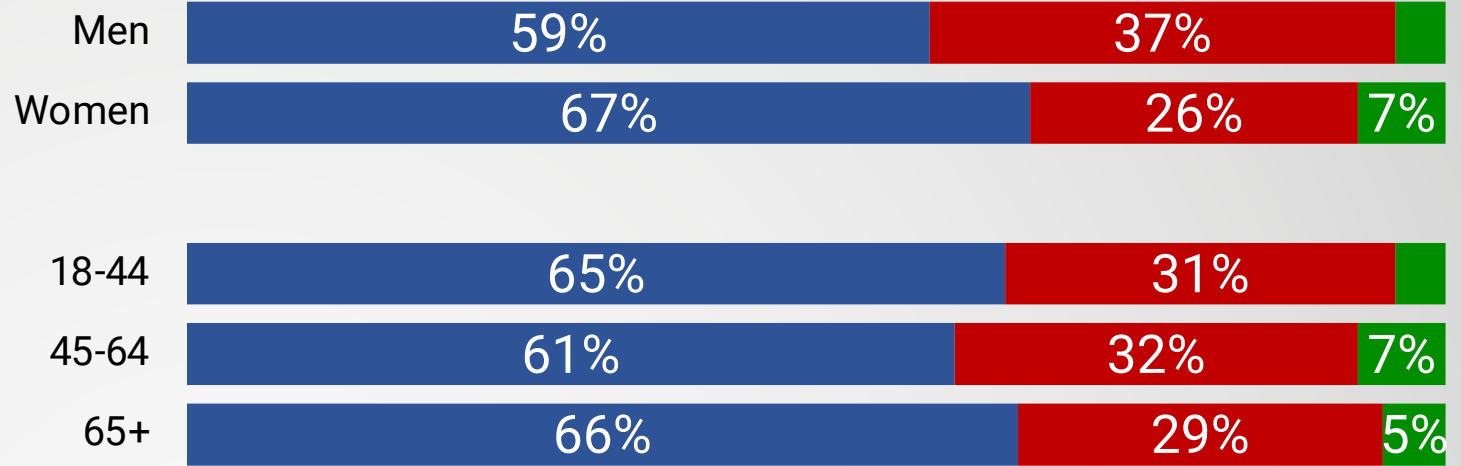
Town of Monument Informed 1.5% Use Tax Ballot Measure

Knowing this, would you support or oppose increasing the local use tax by 1.5%?



■ Support
■ Oppose
■ No Opinion

Strongly Support	24%
Somewhat Support	40%
Strongly Oppose	19%
Somewhat Oppose	12%



■ Support ■ Oppose ■ No Opinion



Please describe why you would *support* a ballot measure to increase the Use Tax by 1.5% to make it equal with the current sales tax.

Developers and builders should pay more of the cost for growth and infrastructure: The most common theme by far was that developers, builders, and new construction projects should help pay for the roads, bridges, and infrastructure impacts caused by rapid growth. Many respondents specifically said developers are profiting from growth while placing strain on roads and public infrastructure, and that a use tax is a fair way to make them “pay their fair share.” Several also liked that the tax would primarily impact construction materials and outside builders rather than existing residents.

Roads, bridges, and infrastructure need major improvements: Respondents repeatedly mentioned deteriorating roads, potholes, traffic congestion, unsafe intersections, and unfinished transportation projects such as Jackson Creek Parkway. Many felt the community’s infrastructure has not kept up with rapid residential and commercial growth and viewed the use tax as necessary to fund widening roads, improving safety, and maintaining infrastructure.

The use tax is viewed as fairer than raising property or sales taxes on residents: Many supporters preferred a use tax because they believed it would place less burden on current residents, especially compared to additional property taxes or sales taxes. Respondents frequently described the measure as “fair,” “equal,” or “reasonable,” especially since they believed the costs would be borne more by developers, construction companies, and businesses benefiting from growth.

Rapid growth and overdevelopment are changing Monument, and growth should help pay for itself: Many comments reflected frustration with the pace of development and concern that Monument is losing its “small-town feel.” Some respondents hoped the tax could slow development, while others felt that if growth is going to continue, developers should at least contribute more toward the impacts they create. Concerns about traffic, overcrowding, and unchecked expansion were common throughout the responses.

Support depends on accountability and dedicating funds to roads/infrastructure only: A significant secondary theme was conditional support. Many respondents said they would support the measure only if the money was clearly dedicated to roads, bridges, and infrastructure projects, and not diverted elsewhere. Several expressed distrust of government spending, frustration over unfinished projects, and a desire for greater transparency and accountability regarding how funds would be used.



Please describe why you would *oppose* a ballot measure to increase the Use Tax by 1.5% to make it equal with the current sales tax.

Taxes are already too high, and residents cannot afford more increases: The most common opposition theme was general frustration with the overall tax burden and rising cost of living. Respondents repeatedly mentioned high property taxes, inflation, fuel prices, food costs, insurance, and utility bills, arguing that residents are already stretched financially and that “no new taxes” should be the priority. Many believed government should “live within its means” rather than continue raising taxes.

Distrust in town leadership, spending, and financial management: A major theme was skepticism that Monument leadership would spend the money responsibly. Many respondents accused the town of poor planning, wasteful spending, mismanagement, lack of transparency, or approving projects without proper funding in place. Several specifically called for audits, better budgeting, clearer accounting, and more accountability before considering any new tax increase.

Growth and development are the real problem, and developers should pay directly: Many respondents opposed the measure because they felt Monument approved too much residential and commercial growth without proper planning. Respondents frequently said developers, builders, or impact fees—not residents—should fully fund the infrastructure needed for new development. Some believed the town failed to require developers to pay upfront for road widening and infrastructure improvements tied to their projects.

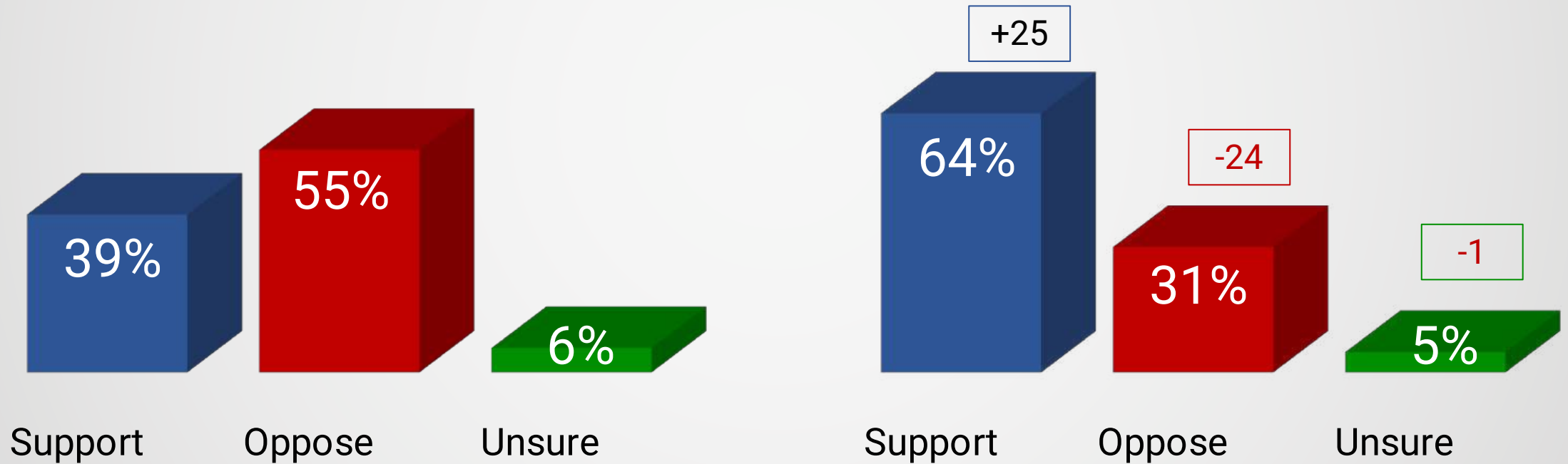
The tax would ultimately increase housing costs and be passed on to consumers: A significant number of respondents argued that even if the tax targets builders and developers, the costs would eventually be passed on to homebuyers and renters through higher housing prices. Several expressed concerns about housing affordability already being strained and worried the measure would make homes even more expensive.

Opposition to continued growth and concern Monument is losing its small-town character: Many comments reflected frustration with overdevelopment, traffic, apartments, chain businesses, warehouses, and rapid expansion. Respondents said Monument is becoming overcrowded, losing its identity, and turning into “suburbia” or an extension of Colorado Springs. Some opposed the tax because they felt it would further support or enable unwanted growth rather than slow it down.

Town of Monument 1.5% Use Tax Ballot Measure Comparison

Uninformed

Informed

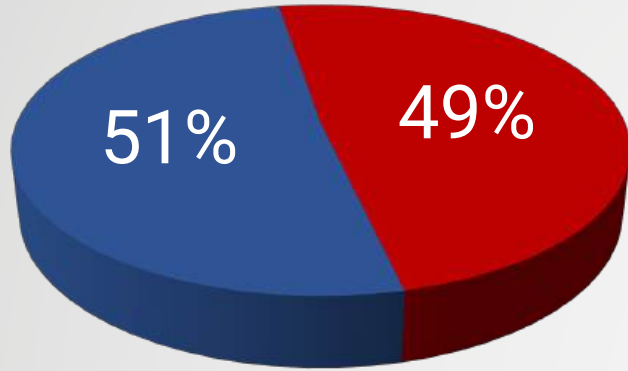




Survey Demographics

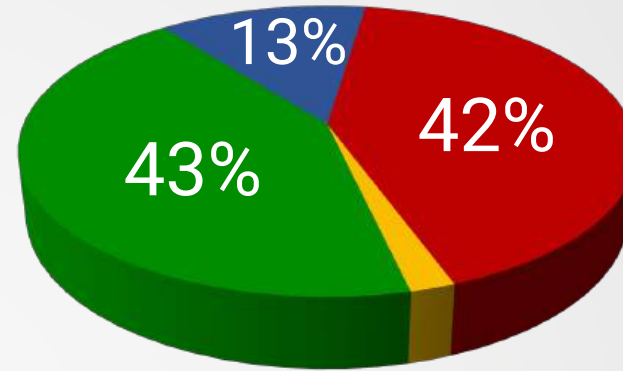
Survey Demographics

Gender



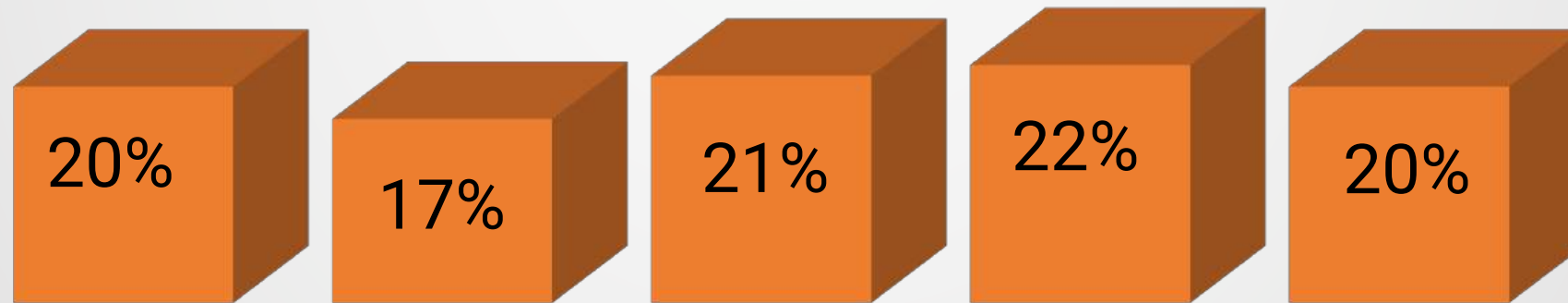
■ Female ■ Male

Party



■ Unaffiliated ■ Democrat ■ Republican ■ Other Party

Age Range



18 to 34

35 to 44

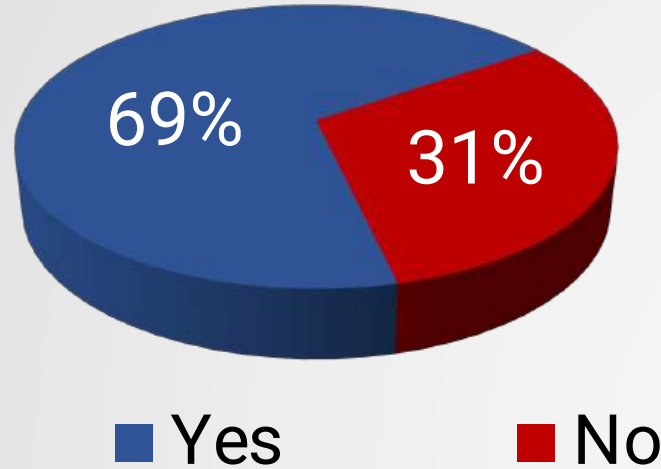
45 to 54

55 to 64

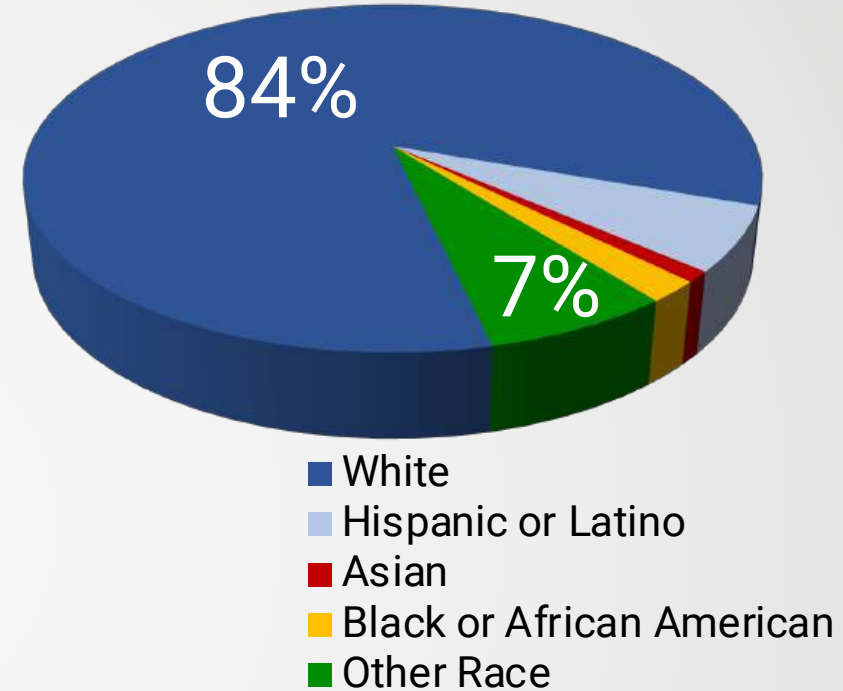
65 or Older

Survey Demographics

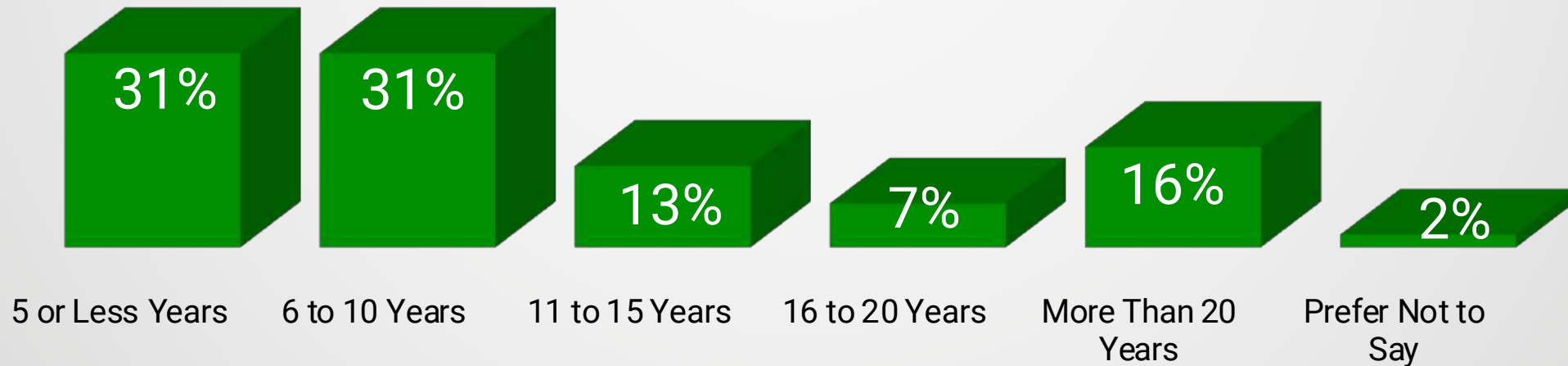
4 Year College Degree



Race



Lived at Current Address



Magellan Strategies

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David Flaherty | Ryan Winger
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MEMORANDUM

April 7, 2026

VIA E-MAIL

TO: Madeline VanDenHoek, Town Manager
Dan Ungerleider, Planning Director
Town of Monument

FROM: Douglas Stallworthy



RE: House Bill 26-1001 – The HOME Act

SUMMARY

[House Bill 26-1001](#), the “HOME Act”, requires municipalities to provide a streamlined administrative process for the construction of certain affordable housing projects. The Act is aimed at increasing affordable housing by declaring affordable housing as a matter of mixed state and local concern, and limiting local zoning barriers.

DISCUSSION

1. Requirements of the Act.

On or after December 31, 2027, a Subject Jurisdiction must allow a residential development project to be constructed on a qualifying property if certain objective requirements are met. A Subject Jurisdiction is defined in the Act to mean a local government that had a population greater than 2,000 as of the last United States census; therefore the Town is a Subject Jurisdiction and must comply with the Act.

2. Adoption.

The Act does not expressly require that the Town adopt certain code provisions. However, if on December 31, 2027, the Town is actively in the process of updating the Town's zoning or development code to comply with the requirements of the Act, the Town shall complete the updates and shall comply with all requirements of the Act by June 31, 2028.

Although zoning has been consistently held by the courts to be a matter of local concern, the Act declares that availability of affordable housing is a matter of mixed Statewide and local concern. This declaration is intended to assert that the Act preempts home-rule authority of a home-rule municipality.

3. Qualifying Property

A qualifying property is real property that is within a municipality or qualifying portion of a county that contains no more than 5 acres of land and is owned by one of the following entities:

- A nonprofit organization with a demonstrated history of providing affordable housing.
- A nonprofit organization that provides public transit.
- A nonprofit organization that has entered into an agreement with another nonprofit organization with a demonstrated history of providing affordable housing, provided that the agreement requires the nonprofit organization with a demonstrated history of providing affordable housing to develop a residential development on the property.
- A school district.
- A state college or university.
- A housing authority.
- A local or regional transit district or a regional transportation authority serving one or more counties.

A qualifying property cannot be adjacent to another qualifying property that was part of a subdivision process that occurred within the previous five years. The Act provides some guidance on what a “nonprofit organization with a demonstrated history of providing affordable housing” is, verification of status of such an entity, and that the Department of Local Affairs shall publish further guidance.

4. Exempt Property

The following parcels are exempt from the requirements of the Act:

- Parcels not served by a domestic water and sewage treatment system, or served by a well that is not connected to a water distribution system, or parcels served by a septic tank.
- Parcels where residential use is prevented or limited by State regulation, federal regulation, or deed restriction.
- Parcels subject to a conservation easement.
- Parcels zoned or used primarily for industrial uses.
- Parcels subject to an intergovernmental agreement or annexation agreement that limits residential development.
- Parcels zoned for agricultural use, forestry, natural resource preservation, or open space.
- Parcels within a floodway or in a one- hundred-year floodplain, as identified by the federal emergency management agency.
- Historic property that is located outside of a historic district.

5. Town Review.

The Town may conduct an administrative review of a project and may enact or apply local law requiring public notice and soliciting public feedback. However, the Act provides that projects are “subject to an administrative approval process”, which is one where administrative staff approves, approves with conditions, or denies an application based solely on the application’s compliance with objective development standards. There is no additional review by the planning commission or Town Council for qualifying projects.

6. Permissible Regulations of the Town.

The Town may regulate qualifying affordable housing projects with types of requirements and restrictions including but not limited to the following:

- Infrastructure standards in local law, including standards related to utilities, transportation, or public works codes.
- Locally adopted life safety codes, including building, fire, wildfire resiliency, utility, or stormwater codes.
- Regulations related to human and environmental health and safety, including oil and gas setbacks, floodplain regulations, and airport influence areas.
- Requirements for the payment of impact fees or other similar development charges.
- Requiring a statement by a water or wastewater service provider regarding the provider's capacity to service the property.
- Restrictions on short-term rentals.
- Other affordable housing requirements.
- Dedications of land.
- Subdivision regulations.
- Historic District design standards and procedures.

7. Prohibited Restrictions

The Town is not permitted to deny a qualifying affordable housing project for the following reasons:

- Disallowing construction of a residential development on a qualifying property on the basis of height if the tallest structure in the residential development is no more than 3 stories or 38 feet tall, except as provided in the Act.
- Disallowing construction of a residential development on a qualifying property on the basis of height if the tallest structure in the residential development complies with the height-related standards for the zoning district in which the residential development

will be built or any zoning district that is contiguous to the qualifying property on which the residential development will be built.

- Disallowing construction of a residential development on a qualifying property based on the number of dwelling units that the residential development will contain, except in accordance with the Act; or
- Applying standards to a residential development on a qualifying property that are more restrictive than the standards the Town applies to similar housing constructed within the Town, including standards related to structure setbacks from property lines; lot coverage or open space; on-site parking requirements; numbers of bedrooms in a multifamily residential development; on-site landscaping, screening, and buffering requirements; or minimum dwelling units per acre.

8. Permitted Uses

Provided that the uses are allowed conditionally or by right within the zoning district in which a qualifying property is located, The Town shall allow child care uses and recreational, social, or educational services uses provided by community organizations in a residential development on a qualifying property.

CONCLUSION

The HOME Act is one of a series of recent bills that intend to limit local control of development to increase the state-wide supply of affordable housing. The Act permits continued regulation of development by local building codes, zoning, and subdivision regulations, provided such local regulations do not conflict with the prohibited restrictions listed in the Act. The Act's requirements apply only to properties of 5 acres or less being developed by school districts, universities, transportation entities, or various housing organizations, and there are several exemptions. The Act requires that approval process for a qualifying affordable housing project is administrative and based on objective standards. As the Act requires an administrative process for qualifying projects, and places statutory restrictions on denying a project, the Town land use code should be updated to provide for the requirements and restrictions of the Act.

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 26-1001

BY REPRESENTATIVE(S) Boesenecker and Mabrey, Bacon, Camacho, English, Froelich, Garcia, Goldstein, Jackson, Lindsay, Nguyen, Phillips, Rutinel, Sirota, Stewart R., Story, Woodrow, Zokaie, Carter, Joseph, McCormick, Paschal, Rydin, Smith;
also SENATOR(S) Exum and Gonzales J., Amabile, Ball, Benavidez, Cutter, Danielson, Hinrichsen, Jodeh, Kipp, Lindstedt, Marchman, Snyder, Weissman, Coleman.

CONCERNING THE PROMOTION OF RESIDENTIAL DEVELOPMENTS ON
QUALIFYING PROPERTIES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Short title. The short title of this act is the "Housing Opportunities Made Easier (HOME) Act".

SECTION 2. In Colorado Revised Statutes, 29-35-103, **amend** (2)(a)(I); and **add** (2.5) as follows:

29-35-103. Definitions.

(2) (a) "Administrative approval process" means a process in which:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(I) A development ~~proposal~~ APPLICATION for a specified project is approved, approved with conditions, or denied by local government administrative staff based solely on its compliance with objective standards set forth in local laws; and

(2.5) "AIRPORT INFLUENCE AREA" MEANS AN AREA NEARBY AN AIRPORT THAT A LOCAL GOVERNMENT HAS DESIGNATED AS UNSUITABLE FOR RESIDENTIAL DEVELOPMENT BECAUSE:

- (a) DEVELOPMENT COULD IMPACT AIRPORT OPERATIONS; OR
- (b) AIRPORT NOISE OR SAFETY HAZARDS COULD AFFECT THE AREA.

SECTION 3. In Colorado Revised Statutes, **add** part 5 to article 35 of title 29 as follows:

PART 5
RESIDENTIAL DEVELOPMENT ON
QUALIFYING PROPERTIES

29-35-501. Legislative declaration.

(1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) COLORADANS ARE OVERWHELMINGLY BURDENED WITH THE COST OF HOUSING. THE NUMBER OF HOUSEHOLDS THAT SPEND MORE THAN THIRTY PERCENT OF THEIR TOTAL INCOME ON RENT OR MORTGAGE PAYMENTS IN COLORADO INCREASED FROM SIX HUNDRED SIXTY-EIGHT THOUSAND ONE HUNDRED IN 2014 TO EIGHT HUNDRED FIFTY THOUSAND EIGHT HUNDRED IN 2024, REPRESENTING THIRTY-FIVE PERCENT OF ALL HOUSEHOLDS.

(b) A CONTRIBUTING FACTOR TO THE INCREASE IN COST-BURDENED HOUSEHOLDS IS THAT POPULATION GROWTH HAS OUTPACED NEW HOUSING DEVELOPMENT, RESULTING IN SUPPLY CONSTRAINTS AND ESCALATING COSTS. BETWEEN 2000 AND 2023, RESIDENTIAL PROPERTY VALUES AND RENTAL RATES INCREASED AT RATES EXCEEDING INCOME GROWTH, THEREBY EXERTING CONSIDERABLE FINANCIAL STRAIN ON MANY RESIDENTS. A 2025 RESEARCH BRIEF PUBLISHED BY THE COLORADO STATE DEMOGRAPHY OFFICE TITLED "COLORADO'S HOUSING SHORTFALL: AN ESTIMATE AND REVIEW OF EXISTING STUDIES" ESTIMATED THAT, AS OF 2023, AN ADDITIONAL ONE

HUNDRED SIX THOUSAND HOUSING UNITS WERE NEEDED TO OVERCOME THE HOUSING SHORTFALL, AND THIRTY-FOUR THOUSAND ONE-HUNDRED UNITS NEEDED TO BE BUILT ANNUALLY TO MAINTAIN THE HOUSING SHORTAGE AT ITS 2023 LEVEL.

(c) AS COLORADO GROWS, SO DOES THE CHALLENGE OF PROVIDING AFFORDABLE HOUSING TO RESIDENTS. WHILE LAND THAT IS AVAILABLE FOR NEW HOUSING IN ESTABLISHED COMMUNITIES IS IN SHORT SUPPLY, MANY QUALIFYING ORGANIZATIONS OWN UNDERUTILIZED PROPERTIES WHERE HOUSING COULD BE BUILT.

(d) COLORADO URGENTLY NEEDS MORE HOUSING TO MEET THE NEEDS OF A GROWING STATEWIDE POPULATION AND ADDRESS ISSUES DIRECTLY RELATED TO HOUSING, SUCH AS TRANSIT, COMMUTING, THE WORKFORCE, AND THE ENVIRONMENT. PROVIDING OPPORTUNITIES TO CONSTRUCT RESIDENTIAL DEVELOPMENTS ON UNDERUTILIZED LAND IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.

(e) LOCAL ZONING REGULATIONS OFTEN PREVENT HOUSING FROM BEING DEVELOPED ON VACANT PROPERTIES BY PROHIBITING RESIDENTIAL DEVELOPMENT ON QUALIFYING PROPERTIES OR BY REQUIRING EXTENSIVE REZONING PROCESSES THAT ADD COST AND UNCERTAINTY TO AFFORDABLE HOUSING PROJECTS.

(f) THIS HOUSE BILL 26-1001, ENACTED IN 2026, STREAMLINES THE CONSTRUCTION OF AFFORDABLE HOUSING BY PROVIDING A PROCESS THAT ALLOWS RESIDENTIAL DEVELOPMENTS TO BE CONSTRUCTED ON QUALIFYING PROPERTIES AS LONG AS CERTAIN REQUIREMENTS ARE SATISFIED.

(g) ACCORDING TO A 2022 ARTICLE PUBLISHED IN THE JOURNAL OF THE AMERICAN PLANNING ASSOCIATION TITLED "DOES DISCRETION DELAY DEVELOPMENT?", RESIDENTIAL PROJECTS THAT WENT THROUGH ADMINISTRATIVE APPROVAL PROCESSES WERE APPROVED TWENTY-EIGHT PERCENT FASTER THAN RESIDENTIAL PROJECTS THAT WENT THROUGH DISCRETIONARY APPROVAL PROCESSES, AND FASTER APPROVAL TIMES REDUCE DEVELOPER COSTS AND THEREFORE HOUSING COSTS. STUDIES HAVE SHOWN THAT HOMEBUILDERS, INCLUDING AFFORDABLE HOUSING DEVELOPERS, WILL AVOID PARCELS THAT NEED TO GO THROUGH A DISCRETIONARY PROCESS.

(h) A 2022 RESEARCH PAPER PUBLISHED BY THE FEDERAL RESERVE BANK OF BOSTON TITLED "HOW TO INCREASE HOUSING AFFORDABILITY: UNDERSTANDING LOCAL DETERRENTS TO BUILDING MULTIFAMILY HOUSING" FOUND THAT RELAXING DENSITY RESTRICTIONS, EITHER ALONE OR IN COMBINATION WITH RELAXING MAXIMUM HEIGHT RESTRICTIONS, IS THE MOST EFFECTIVE POLICY REFORM FOR INCREASING THE HOUSING SUPPLY AND REDUCING MULTIFAMILY RENTS AND SINGLE-FAMILY HOME PRICES. THIS PAPER ALSO FOUND THAT EVEN IF MULTIFAMILY ZONING IS ALLOWED, MUNICIPALITIES OFTEN LIMIT THE SIZE OR SHAPE OF BUILDINGS WITH HEIGHT RESTRICTIONS.

(i) RESEARCH EXAMINING THREE DECADES OF REZONING DECISIONS IN HENRICO COUNTY, VIRGINIA DEMONSTRATED THAT PUBLIC PARTICIPATION IN RESIDENTIAL REZONING PROCESSES IS OVERWHELMINGLY OPPOSITIONAL, WITH MORE THAN EIGHTY-FIVE PERCENT OF COMMENTERS RAISING CONCERNS ABOUT PERCEIVED NEGATIVE IMPACTS OF NEW DEVELOPMENT RELATED TO DENSITY, SITE DESIGN, AND PARKING. AS A RESULT, LOCAL GOVERNMENTS FREQUENTLY IMPOSE CONDITIONS THAT GO BEYOND BASELINE ZONING STANDARDS TO REDUCE DENSITY. PROHIBITING THE APPLICATION OF THESE MORE RESTRICTIVE STANDARDS TO RESIDENTIAL DEVELOPMENTS ENSURES DEVELOPMENT STANDARDS ARE APPLIED CONSISTENTLY AND OBJECTIVELY, RATHER THAN BEING APPLIED AD HOC IN DISCRETIONARY PROCESSES DRIVEN BY OPPOSITION.

(j) HUNDREDS OF THOUSANDS OF COLORADANS HAVE ONE OR MORE DISABILITIES AND THIS NUMBER CONTINUES TO INCREASE AS THE POPULATION AGES. ENSURING FAIR AND ACCESSIBLE HOUSING BENEFITS INDIVIDUALS WITH DISABILITIES AND PROVIDES SAFER WORKING CONDITIONS FOR HOME HEALTH-CARE WORKERS. FEDERAL, STATE, AND LOCAL LAWS THAT PROVIDE ACCESSIBILITY PROTECTIONS SUCH AS THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AND THE "COLORADO ANTI-DISCRIMINATION ACT", PARTS 3 THROUGH 8 OF ARTICLE 34 OF TITLE 24, ARE IMPERATIVE TO INCREASING ACCESSIBLE HOUSING OPPORTUNITIES.

(2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

(a) COMMUNITY OPPOSITION AND RESTRICTIVE LOCAL LAND USE POLICIES LIMIT THE HOUSING SUPPLY, IMPACT HOUSING OPTIONS FOR

COLORADANS OF LOW AND MODERATE INCOMES, AND RESTRICT THE AVAILABILITY OF WORKFORCE HOUSING, THEREBY AFFECTING EMPLOYMENT GROWTH.

(b) WHEN LOCAL GOVERNMENTS RESTRICT HOUSING DEVELOPMENTS WITHIN THEIR JURISDICTIONS, THEY IMPACT NEIGHBORING LOCAL GOVERNMENTS. AN INCREASE IN JOB GROWTH IN ONE COMMUNITY WITHOUT A CORRESPONDING GROWTH IN HOUSING LEADS TO A HOUSING SHORTFALL IN THE COMMUNITY. RESEARCH HAS SHOWN THAT REGIONAL IMBALANCES BETWEEN JOBS AND HOUSING HAVE SIGNIFICANT IMPACTS ON VEHICLE MILES TRAVELED AND COMMUTE TIMES ACROSS JURISDICTIONS, ACCORDING TO STUDIES SUCH AS "WHICH REDUCES VEHICLE TRAVEL MORE: JOBS-HOUSING BALANCE OR RETAIL-HOUSING MIXING?", PUBLISHED IN THE JOURNAL OF THE AMERICAN PLANNING ASSOCIATION. WHEN PEOPLE ARE UNABLE TO LIVE NEAR WHERE THEY WORK, WORKERS' ONLY OPTION IS TO SPEND MORE HOURS ON THE ROAD COMMUTING. LONGER COMMUTES INCREASE VEHICLE TRAFFIC, PUT ADDITIONAL STRAIN ON COLORADO'S ROADS, AND INCREASE POLLUTION.

(c) THE AVAILABILITY OF AFFORDABLE HOUSING IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.

(d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING POPULATION AND DEVELOPMENT GROWTH AND ENSURING A STABLE QUALITY AND QUANTITY OF HOUSING FOR COLORADANS, AS THIS IS AMONG THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES THROUGHOUT COLORADO.

(3) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT THIS HOUSE BILL 26-1001, ENACTED IN 2026, IS INTENDED TO:

(a) STREAMLINE RESIDENTIAL DEVELOPMENT PROCESSES TO REDUCE HOUSING CONSTRUCTION COSTS WHILE ENSURING SUBJECT JURISDICTIONS ARE ABLE TO APPLY ALL RELEVANT PUBLIC HEALTH AND SAFETY CODES THAT TYPICALLY APPLY TO RESIDENTIAL DEVELOPMENT;

(b) ALLOW FLEXIBILITY FOR SUBJECT JURISDICTIONS TO DETERMINE APPROPRIATE SITE DESIGN STANDARDS FOR RESIDENTIAL DEVELOPMENTS BY USING STANDARDS THAT APPLY TO SIMILAR HOUSING PURSUANT TO SECTION 29-35-504 (1)(d). FOR EXAMPLE, IF A SUBJECT JURISDICTION RECEIVES A

DEVELOPMENT APPLICATION TO BUILD SINGLE-FAMILY DWELLINGS, THE SUBJECT JURISDICTION MAY APPLY SITE DESIGN STANDARDS THAT ARE CONSISTENT WITH A ZONE DISTRICT THAT ALLOWS SINGLE-FAMILY DWELLINGS BY-RIGHT. IF A SUBJECT JURISDICTION RECEIVES A DEVELOPMENT APPLICATION FOR MULTI-UNIT DWELLINGS, THE SUBJECT JURISDICTION MAY APPLY SITE DESIGN STANDARDS THAT ARE CONSISTENT WITH A ZONE DISTRICT THAT ALLOWS MULTI-UNIT DWELLINGS BY-RIGHT; AND

(c) BUILD UPON RECENT LAWS THAT AUTHORIZE AND ENCOURAGE SCHOOL DISTRICTS AND LOCAL GOVERNMENTS TO PROMOTE AFFORDABLE HOUSING, SUCH AS:

(I) HOUSE BILL 21-1117, CONCERNING THE ABILITY OF LOCAL GOVERNMENTS TO PROMOTE THE DEVELOPMENT OF NEW AFFORDABLE HOUSING UNITS PURSUANT TO THEIR EXISTING AUTHORITY TO REGULATE LAND USE WITHIN THEIR TERRITORIAL BOUNDARIES;

(II) SENATE BILL 24-174, CONCERNING STATE SUPPORT FOR SUSTAINABLE AFFORDABLE HOUSING; AND

(III) HOUSE BILL 25-1006, CONCERNING ALLOWING A SCHOOL DISTRICT TO LEASE DISTRICT PROPERTY FOR ANY TERM OF YEARS, WHICH ALLOWS A BOARD OF EDUCATION OF A SCHOOL DISTRICT TO LEASE LAND FOR AFFORDABLE HOUSING FOR ANY TERM OF YEARS IF THE BOARD OF EDUCATION DEVELOPS A POLICY THAT DEFINES AFFORDABLE HOUSING FOR THE PROJECT.

(4) THEREFORE, THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES THAT LOCAL GOVERNMENT POLICIES THAT LIMIT THE CONSTRUCTION OF A DIVERSE RANGE OF HOUSING IN AREAS SERVED BY INFRASTRUCTURE AND THAT EFFECTIVELY CREATE HOUSING SUPPLY SHORTFALLS AND UNSUSTAINABLE DEVELOPMENT PATTERNS, REQUIRE A STATEWIDE SOLUTION.

29-35-502. Definitions.

AS USED IN THIS PART 5, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DWELLING UNIT" HAS THE MEANING SET FORTH IN SECTION

29-35-402 (8).

(2) "EXEMPT PARCEL" MEANS:

(a) A PARCEL THAT IS:

(I) NOT SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5);

(II) SERVED BY A WELL THAT IS NOT CONNECTED TO A WATER DISTRIBUTION SYSTEM, AS DEFINED IN SECTION 25-9-102 (6); OR

(III) SERVED BY A SEPTIC TANK, AS DEFINED IN SECTION 25-10-103 (18);

(b) A PARCEL WHERE RESIDENTIAL USE IS PREVENTED OR LIMITED BY STATE REGULATION, FEDERAL REGULATION, OR DEED RESTRICTION PURSUANT TO:

(I) FEDERAL AVIATION ADMINISTRATION RESTRICTIONS PURSUANT TO 14 CFR 77 OR 49 U.S.C. CHAPTER 471;

(II) AN ENVIRONMENTAL COVENANT PURSUANT TO SECTIONS 25-15-318 TO 25-15-323; OR

(III) FLAMMABLE GAS OVERLAY ZONING DISTRICT RESTRICTIONS;

(c) A PARCEL THAT IS SUBJECT TO A CONSERVATION EASEMENT;

(d) A PARCEL THAT IS ZONED OR USED PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS SUBSECTION MEANS A BUSINESS USE OR ACTIVITY AT A SCALE GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING, FABRICATION, MINERAL OR GRAVEL EXTRACTION, ASSEMBLY, WAREHOUSING, OR STORAGE;

(e) A PARCEL THAT IS SUBJECT TO AN INTERGOVERNMENTAL AGREEMENT OR ANNEXATION AGREEMENT THAT LIMITS RESIDENTIAL DEVELOPMENT;

(f) A PARCEL THAT IS ZONED FOR AGRICULTURAL USE;

(g) A PARCEL THAT IS ZONED FOR FORESTRY, NATURAL RESOURCE PRESERVATION, OR OPEN SPACE;

(h) A PARCEL THAT IS IN A FLOODWAY OR IN A ONE- HUNDRED-YEAR FLOODPLAIN, AS IDENTIFIED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY;

(i) A PARCEL THAT IS LOCATED WITHIN AN AIRPORT INFLUENCE AREA; OR

(j) A HISTORIC PROPERTY THAT IS LOCATED OUTSIDE OF A HISTORIC DISTRICT.

(3) "HISTORIC DISTRICT" HAS THE MEANING SET FORTH IN SECTION 29-35-402 (10).

(4) "HISTORIC PROPERTY" HAS THE MEANING SET FORTH IN SECTION 29-35-402 (11).

(5) "NONPROFIT ORGANIZATION" MEANS AN ORGANIZATION AUTHORIZED TO DO BUSINESS IN THE STATE THAT IS EXEMPT FROM TAXATION PURSUANT TO SECTION 501 (a) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", 26 U.S.C. SEC. 501, AS AMENDED, AND LISTED AS AN EXEMPT ORGANIZATION IN SECTION 501 (c)(3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", 26 U.S.C. SEC. 501, AS AMENDED.

(6) "NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING" MEANS A NONPROFIT ORGANIZATION THAT, WITHIN THE FIVE YEARS PRECEDING THE NONPROFIT ORGANIZATION'S SUBMISSION OF A DEVELOPMENT APPLICATION, HAS:

(a) DEVELOPED A PROJECT WHICH HAS RECEIVED A FEDERAL LOW-INCOME HOUSING TAX CREDIT OR A STATE AFFORDABLE HOUSING CREDIT;

(b) BEEN AWARDED FUNDING THROUGH THE FEDERAL "HOME INVESTMENT PARTNERSHIPS PROGRAM", 24 CFR 92.1, ET SEQ.;

(c) BEEN AWARDED FUNDING TO SUPPORT THE CREATION, PRESERVATION, OR REHABILITATION OF AFFORDABLE HOUSING FROM THE

COLORADO DEPARTMENT OF LOCAL AFFAIRS; THE COLORADO HOUSING AND FINANCE AUTHORITY; THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE; OR A LOCAL GOVERNMENT;

(d) OWNED PROPERTY THAT IS EXEMPT FROM PROPERTY TAXATION PURSUANT TO SECTION 39-3-113.5;

(e) BEEN CERTIFIED AS A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION PURSUANT TO 24 CFR 92.2 AND, TOGETHER WITH THE COLORADO DIVISION OF HOUSING OR A LOCAL GOVERNMENT, IS A PARTY TO A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION OPERATING AGREEMENT;

(f) BEEN APPROVED BY THE COLORADO DIVISION OF HOUSING AS AN "APPROVED NONPROFIT ORGANIZATION" PURSUANT TO SECTION 39-22-548 AND ENGAGED IN THE DEVELOPMENT OR OPERATIONAL SERVICE OF SUPPORTIVE HOUSING PURSUANT TO SECTION 39-22-548 (2)(h); OR

(g) OWNED PROPERTY FOR WHICH THE ORGANIZATION RECEIVED A CERTIFICATE OF OCCUPANCY FOR LONG-TERM AFFORDABLE HOUSING, AND CAN PRODUCE THAT CERTIFICATE OF OCCUPANCY, A RESTRICTED USE COVENANT, OR A SIMILAR RECORDED AGREEMENT THAT ENSURES AFFORDABILITY.

(7) "QUALIFYING ENTITY" MEANS A:

(a) SCHOOL DISTRICT, AS DEFINED IN SECTION 22-30-103;

(b) STATE COLLEGE OR UNIVERSITY, AS DEFINED IN SECTION 23-2-102;

(c) BOARD OF COOPERATIVE SERVICES, AS DEFINED IN SECTION 22-5-103;

(d) HOUSING AUTHORITY CREATED PURSUANT TO SECTION 29-1-204.5, 29-4-204, 29-4-402, OR 29-4-503;

(e) LOCAL OR REGIONAL TRANSIT DISTRICT OR A REGIONAL TRANSPORTATION AUTHORITY SERVING ONE OR MORE COUNTIES;

(f) NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING; OR

(g) NONPROFIT ORGANIZATION THAT HAS ENTERED INTO AN AGREEMENT WITH ANOTHER NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING, PROVIDED THAT THE AGREEMENT REQUIRES THE NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING, OR ITS SUCCESSOR ORGANIZATION, TO DEVELOP A RESIDENTIAL DEVELOPMENT ON THE PROPERTY.

(8) "QUALIFYING PROPERTY" MEANS REAL PROPERTY THAT CONTAINS NO MORE THAN FIVE ACRES OF LAND AND IS:

(a) OWNED BY A QUALIFYING ENTITY;

(b) NOT ADJACENT TO ANOTHER QUALIFYING PROPERTY CONTAINING FIVE OR LESS ACRES THAT WAS PART OF A SUBDIVISION PROCESS THAT OCCURRED WITHIN THE PAST FIVE YEARS; AND

(c) WITHIN:

(I) A MUNICIPALITY; OR

(II) A PORTION OF A COUNTY THAT IS WITHIN A CENSUS DESIGNATED PLACE WITH A POPULATION OF FIVE THOUSAND OR MORE, AS REPORTED IN THE MOST RECENT DECENNIAL CENSUS, THAT IS ALSO WITHIN A THREE-MILE AREA EXTENDING IN ANY DIRECTION FROM ANY POINT IN A MUNICIPALITY, AS DESCRIBED IN SECTION 31-12-105 (1)(e)(I).

(9) "RESIDENTIAL DEVELOPMENT" MEANS A DEVELOPMENT:

(a) WITH ONE OR MORE STRUCTURES THAT CONTAIN PERMANENT DWELLING UNITS;

(b) THAT DOES NOT CONTAIN ANY TEMPORARY HOUSING OR SHELTER SPACE; AND

(c) THAT HAS A PRIMARY PURPOSE OF RESIDENTIAL USE.

(10) "SIMILAR HOUSING" MEANS HOUSING THAT IS SIMILAR IN FORM AND NUMBER OF DWELLING UNITS.

(11) "SUBJECT JURISDICTION" MEANS A LOCAL GOVERNMENT THAT HAD A POPULATION GREATER THAN TWO THOUSAND PEOPLE AS OF THE LAST UNITED STATES CENSUS.

(12) "TRANSFERABLE DEVELOPMENT RIGHTS PROGRAM" MEANS AN ENACTED LOCAL LAND USE PROGRAM THAT AUTHORIZES THE TRANSFER OR SALE OF REAL PROPERTY DEVELOPMENT RIGHTS AS PART OF A LAND USE PLANNING STRATEGY THAT AIMS TO ACHIEVE CONSERVATION, GROWTH MANAGEMENT, AFFORDABLE HOUSING, OR OTHER POLICY OBJECTIVES.

29-35-503. Residential developments on qualifying properties.

(1) **Residential developments on qualifying properties.** EXCEPT AS PROVIDED IN SUBSECTION (5) OF THIS SECTION, ON OR AFTER DECEMBER 31, 2027, SUBJECT TO AN ADMINISTRATIVE APPROVAL PROCESS AND IN ACCORDANCE WITH THIS PART 5, A SUBJECT JURISDICTION SHALL ALLOW A RESIDENTIAL DEVELOPMENT TO BE CONSTRUCTED ON A QUALIFYING PROPERTY IF THE QUALIFYING PROPERTY DOES NOT CONTAIN AN EXEMPT PARCEL; EXCEPT THAT, IF ON DECEMBER 31, 2027, A SUBJECT JURISDICTION IS ACTIVELY IN THE PROCESS OF UPDATING THE SUBJECT JURISDICTION'S ZONING OR DEVELOPMENT CODE TO COMPLY WITH THE REQUIREMENTS OF THIS PART 5, THE SUBJECT JURISDICTION SHALL COMPLETE THE UPDATES AND SHALL COMPLY WITH ALL REQUIREMENTS OF THIS PART 5 BY JUNE 31, 2028.

(2) **Verification of nonprofit status.** A SUBJECT JURISDICTION MAY REQUEST, AS PART OF AN INITIAL DEVELOPMENT APPLICATION, THAT A NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING PROVIDE DOCUMENTATION THAT IT MEETS ANY ONE OF THE CRITERIA LISTED IN SECTION 29-35-502 (6). THE NONPROFIT ORGANIZATION SHALL PROVIDE THE REQUESTED DOCUMENTATION BUT IS NOT REQUIRED TO PROVIDE DOCUMENTATION OF MORE THAN ONE OF THE CRITERIA LISTED IN SECTION 29-35-502 (6) TO BE VERIFIED BY THE SUBJECT JURISDICTION.

(3) **Subject jurisdiction administrative practices.** NOTHING IN THIS SECTION PREVENTS A SUBJECT JURISDICTION FROM:

(a) APPLYING AND ENFORCING INFRASTRUCTURE STANDARDS IN LOCAL LAW DURING THE ADMINISTRATIVE APPROVAL PROCESS, INCLUDING STANDARDS RELATED TO UTILITIES, TRANSPORTATION, OR PUBLIC WORKS CODES;

(b) APPLYING AND ENFORCING A LOCALLY ADOPTED LIFE SAFETY CODE, INCLUDING A BUILDING, FIRE, WILDFIRE RESILIENCY, UTILITY, OR STORMWATER CODE;

(c) APPLYING AND ENFORCING REGULATIONS RELATED TO HUMAN AND ENVIRONMENTAL HEALTH AND SAFETY, INCLUDING OIL AND GAS SETBACKS, FLOODPLAIN REGULATIONS, AND AIRPORT INFLUENCE AREAS;

(d) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES IN ACCORDANCE WITH SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS IN ACCORDANCE WITH PART 2 OF ARTICLE 20 OF THIS TITLE 29;

(e) REQUIRING A STATEMENT BY A WATER OR WASTEWATER SERVICE PROVIDER REGARDING THE PROVIDER'S CAPACITY TO SERVICE THE PROPERTY AS A CONDITION OF ALLOWING A RESIDENTIAL DEVELOPMENT;

(f) APPLYING AND ENFORCING INCLUSIONARY ZONING ORDINANCES, DEED RESTRICTIONS, COMMUNITY BENEFIT AGREEMENTS, DEVELOPMENT AGREEMENTS, OR OTHER AFFORDABLE HOUSING POLICIES OR STANDARDS IN ACCORDANCE WITH SECTION 29-20-104;

(g) APPLYING SITE DESIGN STANDARDS TO ALLOW A RESIDENTIAL DEVELOPMENT TO BE CONSTRUCTED ON A QUALIFYING PROPERTY WHEN SUCH RESIDENTIAL DEVELOPMENT COULD BE DISALLOWED BASED ON THE STANDARDS DESCRIBED IN SECTION 29-35-504 (1), OR OTHERWISE OFFERING AFFORDABLE HOUSING INCENTIVES TO DEVELOPERS;

(h) ENACTING OR APPLYING A LOCAL LAW CONCERNING A SHORT-TERM RENTAL, AS THAT TERM IS DEFINED IN SECTION 29-35-402 (19), OF A DWELLING UNIT ON A QUALIFYING PROPERTY;

(i) ENACTING OR APPLYING A LOCAL LAW THAT REQUIRES NOTIFYING THE PUBLIC REGARDING A DEVELOPMENT APPLICATION OR SOLICITING AND COLLECTING FEEDBACK FROM RESIDENTS OF THE SUBJECT JURISDICTION;

(j) APPLYING LAWS AND POLICIES TO A QUALIFYING PROPERTY PURSUANT TO ACCEPTED HOUSING NEEDS ASSESSMENTS AND ACCEPTED HOUSING ACTION PLANS THAT ENCOURAGE THE DEVELOPMENT OF A RANGE OF HOUSING TYPES IN ACCORDANCE WITH PART 37 OF ARTICLE 32 OF TITLE 24;

(k) OFFERING FUNDING, FINANCING INCENTIVES, OR DEVELOPMENT INCENTIVES THAT MAY REQUIRE APPROVAL IN A PUBLIC HEARING TO A DEVELOPER OF A RESIDENTIAL DEVELOPMENT, IF THE FUNDING OR INCENTIVES WOULD LEAD TO THE DEVELOPMENT OF A GREATER AMOUNT OF AFFORDABLE HOUSING UNITS THAN THE AMOUNT OF AFFORDABLE HOUSING UNITS THAT WOULD BE DEVELOPED IN THE ABSENCE OF THE FUNDING OR INCENTIVES AND THE DEVELOPER OF THE RESIDENTIAL DEVELOPMENT IS NOT REQUIRED TO ACCEPT THE FUNDING OR INCENTIVES;

(l) REQUIRING COMMON LAW OR STATUTORY DEDICATIONS OF INTEREST IN LAND ASSOCIATED WITH A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY TO BE ACCEPTED BY THE LEGISLATIVE BODY OF A LOCAL GOVERNMENT;

(m) APPLYING AND ENFORCING SUBDIVISION REGULATIONS;

(n) EXERCISING THE SUBJECT JURISDICTION'S RIGHT OF FIRST REFUSAL IN ACCORDANCE WITH SECTION 29-4-1202; OR

(o) APPLYING THE DESIGN STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A QUALIFYING PROPERTY THAT IS LOCATED IN A HISTORIC DISTRICT, INCLUDING A STANDARD OR PROCEDURE RELATED TO DEMOLITION.

(4) **School district administrative practices.** NOTHING IN THIS SECTION PREVENTS A SCHOOL DISTRICT FROM CONSTRUCTING, PURCHASING, OR REMODELING A TEACHERAGE PURSUANT TO SECTION 22-32-110 (1)(d), OR FROM USING ANY OF THE PROCESSES DESCRIBED IN SECTION 22-32-124 REGARDING BUILDINGS AND STRUCTURES.

(5) **Transferable development rights program.** A SUBJECT JURISDICTION IS NOT REQUIRED TO ALLOW A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY IN ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION IF THE SUBJECT JURISDICTION IMPLEMENTS A TRANSFERABLE

DEVELOPMENT RIGHTS PROGRAM ON THE QUALIFYING PROPERTY, AND THE TRANSFERABLE DEVELOPMENT RIGHTS PROGRAM INCLUDES A POLICY FOR AFFORDABLE RESIDENT HOUSING THAT IS RESTRICTED IN OWNERSHIP AND OCCUPANCY IN PERPETUITY BY A DEED RESTRICTION, COVENANT, OR A MECHANISM PROVIDED IN SECTION 29-35-103 (16)(b).

29-35-504. Qualifying property requirements for a subject jurisdiction - allowable uses.

(1) A SUBJECT JURISDICTION SHALL NOT:

(a) DISALLOW CONSTRUCTION OF A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY ON THE BASIS OF HEIGHT IF THE TALLEST STRUCTURE IN THE RESIDENTIAL DEVELOPMENT IS NO MORE THAN THREE STORIES OR THIRTY-EIGHT FEET TALL, UNLESS:

(I) THE SUBJECT JURISDICTION IS SERVED BY A FIRE PROTECTION DISTRICT, FIRE DEPARTMENT, OR FIRE AUTHORITY WHOSE AERIAL APPARATUS IS UNABLE TO SERVE A STRUCTURE THAT IS THREE STORIES TALL; OR

(II) THE QUALIFYING PROPERTY IS LOCATED IN A HISTORIC DISTRICT THAT DOES NOT ALLOW RESIDENTIAL STRUCTURES THAT ARE THREE STORIES TALL;

(b) DISALLOW CONSTRUCTION OF A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY ON THE BASIS OF HEIGHT IF THE TALLEST STRUCTURE IN THE RESIDENTIAL DEVELOPMENT COMPLIES WITH THE HEIGHT REQUIREMENTS:

(I) OF THE ZONING DISTRICT IN WHICH THE RESIDENTIAL DEVELOPMENT WILL BE BUILT; OR

(II) THAT APPLY TO ANY PARCEL ZONED TO ALLOW FOR RESIDENTIAL DEVELOPMENT THAT IS CONTIGUOUS TO THE QUALIFYING PROPERTY ON WHICH THE RESIDENTIAL DEVELOPMENT WILL BE BUILT;

(c) DISALLOW CONSTRUCTION OF A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY BASED ON THE NUMBER OF DWELLING UNITS THE RESIDENTIAL DEVELOPMENT WILL CONTAIN, EXCEPT IN ACCORDANCE WITH

ONE OF THE STANDARDS LISTED IN SUBSECTION (1)(d) OF THIS SECTION; OR

(d) APPLY SITE DESIGN STANDARDS TO A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY THAT ARE MORE RESTRICTIVE THAN THE SITE DESIGN STANDARDS THAT THE SUBJECT JURISDICTION APPLIES TO SIMILAR HOUSING CONSTRUCTED WITHIN THE SUBJECT JURISDICTION, INCLUDING SITE DESIGN STANDARDS RELATED TO:

(I) STRUCTURE SETBACKS FROM PROPERTY LINES;

(II) LOT COVERAGE OR OPEN SPACE;

(III) ON-SITE PARKING REQUIREMENTS;

(IV) NUMBERS OF BEDROOMS IN A MULTIFAMILY RESIDENTIAL DEVELOPMENT;

(V) ON-SITE LANDSCAPING, SCREENING, AND BUFFERING REQUIREMENTS;

(VI) SOLAR ACCESS;

(VII) MINIMUM DWELLING UNITS PER ACRE; OR

(VIII) OTHER OBJECTIVE SETBACK STANDARDS THAT APPLY TO RESIDENTIAL DWELLINGS, INCLUDING SETBACKS FROM OIL AND GAS FACILITIES, OIL AND GAS OPERATIONS, STREAM CORRIDORS, RIPARIAN AREAS, WETLANDS, AND SENSITIVE WILDLIFE HABITATS.

(2) PROVIDED THAT THE USES ARE ALLOWED CONDITIONALLY OR BY RIGHT WITHIN THE ZONING DISTRICT IN WHICH A QUALIFYING PROPERTY IS LOCATED, A SUBJECT JURISDICTION SHALL ALLOW THE FOLLOWING USES IN A RESIDENTIAL DEVELOPMENT ON A QUALIFYING PROPERTY:

(a) CHILD CARE; AND

(b) THE PROVISION OF RECREATIONAL, SOCIAL, OR EDUCATIONAL SERVICES PROVIDED BY COMMUNITY ORGANIZATIONS FOR USE BY THE RESIDENTS OF THE RESIDENTIAL DEVELOPMENT AND THE SURROUNDING COMMUNITY.

29-35-505. Authority of institutions of higher education preserved.

NOTHING IN THIS PART 5 IS INTENDED TO ABROGATE OR LIMIT THE AUTHORITY OF AN INSTITUTION OF HIGHER EDUCATION TO MAKE DECISIONS REGARDING THE USE OF OR DISPOSITION OF THE INSTITUTION'S PROPERTY, OR TO CREATE ADDITIONAL BUILDING CODE COMPLIANCE OBLIGATIONS FOR AN INSTITUTION OF HIGHER EDUCATION BEYOND THOSE ALREADY REQUIRED BY SECTION 24-30-1303.

29-35-506. Published guidance in verification of nonprofit status.

ON OR BEFORE DECEMBER 31, 2027, THE DEPARTMENT OF LOCAL AFFAIRS SHALL PUBLISH GUIDANCE TO ASSIST SUBJECT JURISDICTIONS IN VERIFYING THE STATUS OF A NONPROFIT ORGANIZATION WITH A DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING IN ACCORDANCE WITH SECTION 29-35-503 (2).

SECTION 4. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate

preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO



MEMORANDUM

TO: The Honorable Mayor and Town Council
FROM: Jenna Gorney, Senior Planner
DATE: June 15, 2026
SUBJECT: Regulation of Data Centers in the Town of Monument - Initial Research Report

Executive Summary.

Over the past year, local governments across Colorado's Front Range have experienced a sharp increase in inquiries and proposals related to data center development. While no formal application is currently pending in the Town of Monument, regional activity, legislative changes, and recent community discussions have highlighted questions about how this emerging use would be evaluated if proposed locally. Because Monument's Land Development Code does not expressly identify or regulate data centers, staff initiated this discussion to ensure the Town is prepared to respond thoughtfully rather than reactively should interest materialize.

Data centers differ substantially from traditional industrial or commercial development. They tend to operate continuously, employ relatively few people, and rely heavily on electricity, water, and specialized mechanical systems to function. While they can represent significant capital investment, they also introduce infrastructure demands that may exceed those associated with more conventional land uses. In a community with finite utility capacity, sensitive environmental conditions, and a distinctive small-town character, understanding these implications in advance is critical to responsible planning.

This item is being brought forward to begin a policy-level conversation rather than to consider a specific proposal or endorse a particular outcome. The intent is to provide decision-makers with a clear understanding of how data centers function, what types of impacts they may have on utilities, public services, land use compatibility, and fiscal balance, and how other communities are responding to similar pressures. Recent actions by peer jurisdictions, including temporary moratoria and new regulatory frameworks, underscore the importance of deliberate planning before development interest accelerates.

Staff's goal is to seek guidance from Town Council on how Staff should proceed. Options range from defining and regulating data centers through future code updates, to establishing review processes or interim safeguards that allow time for additional analysis, agency coordination, and public engagement. Initiating this discussion now positions Monument to align future decisions with its Comprehensive Plan, infrastructure constraints, and community values while maintaining transparency, predictability, and long-term planning defensibility.

Strategic Priorities.

The Council has established strategic priorities for 2026–2028, which include focusing on:

1. **STRENGTHENING COMMUNITY ENGAGEMENT.** Enhance community engagement, focused on strengthening communication and collaboration with Monument residents, neighboring communities and partners, and town administration.
2. **ENABLING RESPONSIBLE COMMUNITY DEVELOPMENT.** Establish clear and accountable plans, processes and procedures that create positive conditions for responsible and enduring community development and growth.

The recommended action is consistent with these strategic priorities, as it provides adequate time to evaluate the impacts of regulating data centers. Allowing for this review period supports responsible community development by avoiding the adoption of regulations before fully understanding the use and its potential effects. Additionally, the recommended action ensures that meaningful community feedback is sought prior to establishing data center regulations that could affect the community.

Planning Commission Recommendation.

At the regularly scheduled May 13, 2026 Planning Commission meeting, Commissioners voted unanimously 6-0 to forward a recommendation that Staff continue research assessing the potential land use, infrastructure, utility, environmental, and community impacts associated with data center development and integrate code updates related to the regulation of such uses as part of the Title 18 updates planned in conjunction with the Monument 2040 Comprehensive Plan.

Recommended Action.

Direct staff to continue researching data center development and potential land use code considerations, and to evaluate regulatory approaches as part of the upcoming Chapter 18 Land Development Code update.

This recommendation allows for a proactive review of best practices, regulatory frameworks, and performance standards, while ensuring future policies align with the Town’s Comprehensive Plan, infrastructure capacity, and community goals.

Attachments.

1. Regulation of Data Centers in the Town of Monument - Initial Research Report
2. Staff Presentation



Regulation of Data Centers in the Town of Monument

Initial Research Report – 6/15/2026

Limitations of This Initial Report

This report is intended as an initial planning-level analysis of data center facilities as a potential land use within the Town of Monument. It is not a recommendation for approval or denial of any specific project, nor does it propose a final regulatory framework. Instead, the purpose of this document is to inform future policymaking by identifying potential land use, infrastructure, fiscal, and community considerations associated with data center development. Additional technical analysis and public engagement would be required prior to the adoption of any zoning or regulatory changes.

I. Purpose and Scope

Across the Front Range, communities are seeing growing interest in data center development driven by the expansion of cloud computing, artificial intelligence, and increasing digital service demands. At present, the Town of Monument does not explicitly address data centers in the Land Development Code, creating uncertainty about how these facilities would be classified and reviewed if proposed. Proactively evaluating this land use would help ensure consistency with the Town’s Comprehensive Plan and growth management goals, protect limited public infrastructure resources, and provide greater predictability for residents, decision-makers, and potential applicants. This report provides an initial look at data centers as a land use within the context of Monument’s existing utilities, land use patterns, small-town character, and regional trends. The longer-term goal of evaluation of this land use is to guide data center siting while aligning with economic, sustainability and community development goals.

II. Overview of Data Centers as a Land Use

Data centers are facilities designed to house computer servers and related infrastructure used to process, store, and transmit digital information. They may serve a single organization, host multiple clients, support large-scale cloud or artificial intelligence platforms, or operate as smaller facilities intended to reduce data latency. Physically, data centers are generally large buildings with low human occupancy, extensive mechanical and electrical systems, continuous 24-hour operations, and relatively limited on-site employment when compared to their overall building size. However, there are several emerging data center types not to be forgotten that include collocation in office buildings and micro-centers that can be 10,000sf called “edge” centers.

Unlike traditional industrial uses, data centers generate minimal truck traffic once they are operational, however, they consume significant amounts of electricity primarily to power servers, cooling systems, and backup generators, with projections indicating their energy use could rise dramatically in the coming years. Because Monument’s Land Development Code does not currently have the use clearly defined or have Use Specific Standards in

place to mitigate effects of development, this could lead to challenges in applying development standards related to noise, buffering, building mass, and utility impacts. Under current code, this use would likely be located in the Industrial zoning districts without additional zoning parameters in place.

III. Infrastructure and Utility Impacts

A. Electricity

Electricity demand is typically the most significant infrastructure impact associated with data centers. Even mid-sized facilities can require power loads equivalent to thousands of residential units. These demands often necessitate dedicated substations, transmission upgrades, and long-term service agreements with electric utilities.

The Town of Monument is served by Mountain View Electric Association (MVEA), a not-for-profit, member-owned electric cooperative that operates a rural and semi-rural electric distribution system designed primarily to serve residential, agricultural, and small to mid-scale commercial loads, rather than large, industrial-scale users. MVEA's system capacity is shaped by the cooperative's large geographic service area, low customer density, and reliance on regional power supply and transmission providers.

Data Centers are large-load electric customers that pose challenges related to grid capacity, system reliability, and equitable cost sharing, particularly when infrastructure upgrades required for a single use may affect other ratepayers. These concerns are heightened in smaller markets, where electrical infrastructure typically offers less redundancy and flexibility.

B. Water

Although some newer facilities utilize air-cooled or hybrid cooling systems, many data centers still consume significant amounts of water for cooling and equipment operation. Water use is continuous rather than seasonal and may include consumptive losses depending on system design.

The Town of Monument's municipal water system relies on wells drawing from Denver Basin aquifers and has a finite production capacity serving an established customer base. In the context of ongoing drought conditions and long-term water supply planning, high-volume industrial water users raise important questions regarding sustainability, priority of use, and growth allocation.

C. Wastewater and Stormwater

Data center cooling processes may generate wastewater through system blowdown, which can contain treatment chemicals requiring careful management. Large building footprints also increase impervious surface area, potentially affecting stormwater runoff, drainage infrastructure, and downstream water quality.

D. Fire Protection, Emergency Management, and Public Safety

Data centers present unique public safety considerations that differ from traditional commercial or industrial uses. These facilities commonly contain lithium-ion battery systems, diesel backup generators, and on-site fuel storage to ensure uninterrupted operation. Fire suppression systems often use clean agents rather than water, which may influence emergency response strategies.

Monument's location within a Wildland-Urban Interface and its reliance on regional fire protection services highlight the importance of understanding whether existing emergency response capacity, training, and infrastructure are sufficient to support this type of development.

E. Decommissioning and End-of-Life Issues

Data center buildings are highly specialized and may be difficult to adapt to other uses once vacated. In addition, dedicated utility infrastructure constructed to serve a facility could become stranded if the use ceases operations.

Decommissioning considerations include removal of hazardous materials, fuel storage systems, and battery infrastructure. Some communities address this risk through financial securities or bonding requirements to ensure site restoration and infrastructure mitigation.

IV. Land Use and Community Compatibility

Data centers generally require large sites with reliable access to utilities and significant setbacks from sensitive land uses. Potential compatibility issues include mechanical noise from cooling systems, generator testing, building scale, and visual impacts.

Monument's development pattern includes established residential neighborhoods, open space, and proximity to forested lands. Ensuring appropriate buffering, building design, and location relative to residential uses is critical to maintaining community character and minimizing land use conflicts.

V. Fiscal Impacts and Economic Development Considerations

Data centers often contribute substantial property tax revenue due to the high value of buildings and equipment. However, they typically generate minimal sales tax and require relatively few long-term employees compared to their physical size and infrastructure demands.

From a fiscal perspective, communities must weigh property tax benefits against:

- Utility infrastructure costs,
- Emergency service demands,
- Limited local employment opportunities.

For a town like Monument, which emphasizes balanced growth and fiscal stewardship, understanding net fiscal impacts is essential.

Other options that could be considered include incentives or disincentives that could impact design such as tax incentives. These tax abatements could be paired with a community benefit option that would be captured in the Development Agreement. These benefit tradeoffs could include needed infrastructure, investment in Downtown development or parks and trails.

From an economic standpoint, newer edge data centers will produce relatively few permanent jobs per square foot. However, they often generate more in property tax revenue than it costs for the local government to provide services. Many states are now vying to attract data centers through tax incentives. In April, Arizona's governor announced new legislation that establishes incentives to foster growth in the sector that builds off recent economic successes.

VI. Public Perception and Community Values

Recent data center proposals along the Front Range have generated significant public concern, particularly related to water use, electricity demand, noise, and perceived incompatibility with surrounding neighborhoods. These responses underscore the importance of transparency, early public engagement, and clear regulatory expectations.

Monument has consistently emphasized its small-town identity, quality of life, and natural setting. Any consideration of new high-intensity infrastructure uses must account for these community values and the expectations of residents.

VII. Front Range Case Studies

A. Municipalities with Moratoria

Several Front Range jurisdictions, including Larimer County and the City and County of Denver, have been evaluating new data center development. The City and County of Denver is scheduled to consider a temporary moratorium on its May 18 agenda, and Larimer County has adopted a moratorium currently in effect through August 2026. These moratoria were enacted to allow time for further research, public input, and the development of tailored land use regulations in response to rapid growth and community concerns.

B. Municipalities Allowing Data Centers with Regulation

While recent community discussions have proposed a moratorium, Colorado Springs, allows data centers under existing zoning frameworks, provided such facilities are sited in the Industrial or Heavy Commercial zones.

VIII. Next Steps and Timing

At this time, the Town of Monument is not anticipating any applications for new data center development. Staff further notes that, even if a proposal were submitted, issuance of a utility will-serve letter would be unlikely, as the Town does not currently have sufficient utility capacity to support the level of service demands associated with such a development.

As consideration of this issue continues, the Town may, in the future, wish to evaluate potential regulatory pathways.

Potential regulatory approaches include:

- **Use by Right with Use Specific Standards.** By making data centers a distinct and defined use, Monument would ensure clear zoning requirements are well defined for owners and builders, as well as for Town staff and elected officials. Without clear zoning requirements, Monument will be dependent on ad hoc use determinations and review processes that would lead to unpredictable decisions. At a minimum, a use definition will address requirements for the different types of data centers.
- **Data Center Overlay.** This could be considered as done in Loudoun County Virginia, Chandler and Mesa Arizona as well as Prince William County Virginia. This would require Planning Commission recommendation and Council review and approval. The Overlay would require support by the Comprehensive Plan and approval of such use in the overlay would include special performance standards addressing noise, water use, energy efficiency, and site design elements such as landscaping, buffering and setbacks, noise mitigation, screening, building facades, and emergency access.
- **Conditional Use approval.** This option would allow data centers only through a conditional use process including public hearing with Planning Commission and Town Council. Such Conditional Use would need to meet existing review criteria for Conditional Uses which require consistency with the Comprehensive Plan and consistency with Use Specific Standards.
- **Adopting a temporary moratorium.** The Town could consider adopting a temporary moratorium on data center development to allow additional time for policy analysis, regulatory updates, and public engagement prior to establishing permanent development standards.

IX. Initial Findings and Recommended Next Steps

Initial review suggests that data centers represent a land use with disproportionate infrastructure and resource demands relative to employment and day-to-day activity. Prior to permitting such uses, the Town of Monument may wish to:

1. Conduct coordinated utility capacity assessments. Utility Roundtable in the works highlighting energy and water.
2. Engage regional partners and review agencies to discuss capacity and concerns.
3. Engage fire protection and emergency service providers.
4. Review best practices from peer communities.
5. Engage the public early in the policy development process.
6. Determine whether interim regulatory action is appropriate. This may include the noted temporary moratorium.

Staff Recommendation.

Staff recommends that Town Council provide direction to staff to continue researching data center development and associated land use considerations, and to incorporate specific provisions addressing this use as part of the forthcoming update to Chapter 18 of the Town's Land Development Code. This approach would allow staff to proactively evaluate best practices, regulatory frameworks, and performance standards adopted by peer communities, while ensuring that any future policy direction is thoughtfully aligned with the Town's Comprehensive Plan, infrastructure capabilities, and community goals.

Continued research will enable staff to assess the potential land use, infrastructure, utility, environmental, and community impacts associated with data center development, as well as to evaluate whether and under what conditions such uses may be appropriate within Monument. Integrating this work into the broader Chapter 18 update will provide an efficient and coordinated framework for addressing data centers within the Town's zoning and development regulations, rather than relying on ad hoc determinations or reactive policy responses.

Staff further recommends this approach to allow adequate time for public engagement, interdepartmental coordination, and policy analysis, ensuring that any proposed code amendments are comprehensive, transparent, and tailored to the Town's long-term planning objectives. This strategy positions the Town to address emerging development trends while maintaining consistency, predictability, and defensibility in its land use regulations.

Sources:

American Planning Association - [Data Centers Evolved: A Primer for Planners](#)

National League of Cities - [Data-Centers-Fact-Sheet-3.pdf](#)

City and County of Denver (Presentation) - [Bill 26-0431](#)

North Dakota State University - [Data Center Regulation in the United States](#)

LightBox Insight - [Zoning and Land Use Considerations for Data Centers](#)

Regulation of Data Centers in Monument Initial Report

Staff Presentation

Town Council – June 15, 2026



Purpose and Scope.



- Increased regional interest in data center development is driven by growth in cloud computing, AI, and digital service demand.
- Monument’s Land Development Code does not currently define or regulate data centers, creating uncertainty in review and classification.
- Proactive evaluation can support Comprehensive Plan goals, protect limited infrastructure capacity, and provide regulatory predictability.



Overview of Data Centers as a Land Use.

- Data centers house servers and infrastructure that process, store, and transmit digital information, including cloud, AI, colocation, and small-scale “edge” facilities.
- Facilities are typically large, operate 24/7, and rely on extensive mechanical and electrical systems with relatively low on-site employment.
- Ongoing truck traffic is minimal, but utility demands, especially electricity and cooling, are significant.
- The Monument Land Development Code does not currently define data centers or establish use-specific standards, creating potential challenges related to noise, buffering, building mass, and utility impacts; such uses would likely locate in industrial zoning districts.



Infrastructure and Utility Impacts.

A. Electricity

- Data centers have extremely high-power demands; even mid-sized facilities can require loads equivalent to thousands of residential units.
- Large-load customers may raise concerns related to grid reliability, infrastructure upgrades, and cost impacts in communities with limited electrical redundancy.



B. Water

- Many data centers require continuous water use for cooling, with potential consumptive losses depending on system design.
- Monument's finite groundwater-based water supply raises questions related to long-term sustainability, growth allocation, and priority of use.



Infrastructure and Utility Impacts.

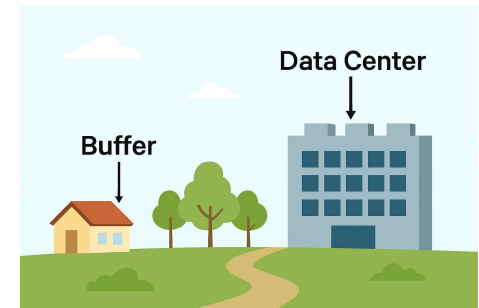
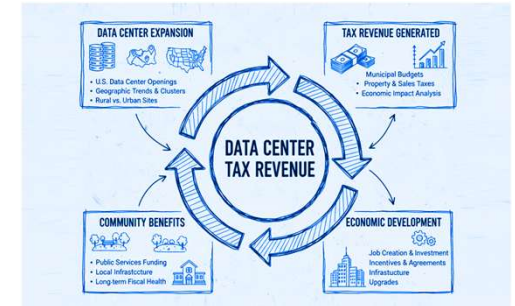
Wastewater and Stormwater

Fire Protection, Emergency Management, and Public Safety

Decommissioning and End-of-Life Considerations

Land Use and Compatibility Considerations

Fiscal Impacts and Economic Considerations



Public Perception and Community Values.

- Front Range data center proposals have generated public concern regarding water use, energy demand, noise, and neighborhood compatibility.
- These concerns emphasize the importance of clear regulations, transparency, and early public engagement.
- Monument's strong commitment to a small-town character, quality of life, and natural setting must guide any consideration of high-intensity infrastructure use



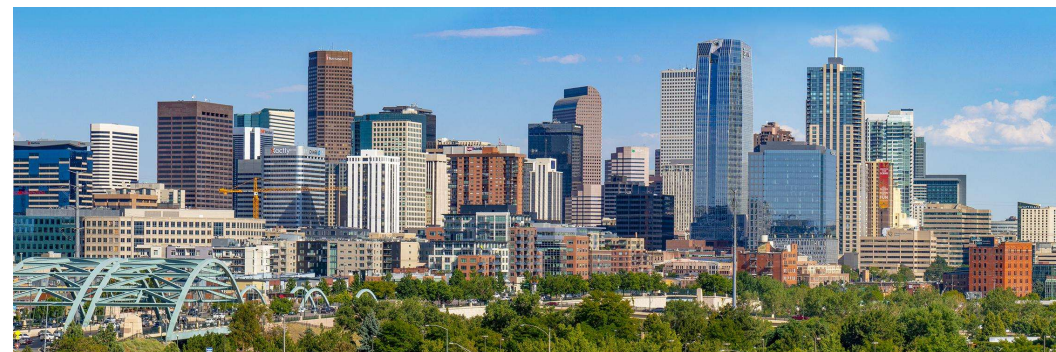
Front Range Case Studies.

Municipalities with Moratoria

Several Front Range jurisdictions, including Larimer County and the City and County of Denver, have been evaluating new data center development. The City and County of Denver is scheduled to consider a temporary moratorium at its May 18 meeting, and Larimer County has adopted a moratorium currently in effect through August 2026.

Municipalities Allowing Data Centers with Regulation

While recent community discussions have proposed a moratorium, Colorado Springs, allows data centers under existing zoning frameworks, provided such facilities are sited in the Industrial or Heavy Commercial zones.



Next Steps and Timing - Regulatory Options.

Use by Right with Use Specific Standards.

Data Center Overlay.

Conditional Use approval.

Adopting a Temporary Moratorium.



Planning Commission Recommendation.

- Forwarded a recommendation to Town Council to direct staff to continue researching data center development and land use implications.
- Incorporate data center–specific provisions into the upcoming Chapter 18 Land Development Code update, informed by peer communities and best practices.
- Ensure future regulations align with the Comprehensive Plan, infrastructure capacity, community values, and long-term planning objectives.
- Obtain Community Feedback



Recommended Action.

- Direct staff to continue researching data center development and potential land use code considerations, and to evaluate regulatory approaches as part of the upcoming Chapter 18 Land Development Code update.



MONTHLY REPORT TO TOWN COUNCIL

May, 2026

Prepared by
Madeline VanDenHoek,
Town Manager



Monday, May 25th, was the annual Memorial Day Ceremony held in Monument Cemetery. Close to 200 attendees watched as the United States flag and POW/MIA flag were raised, the National Anthem was sung, the playing of Taps, and names were read of Veterans whose final resting place is Monument Cemetery.

TOWN MANAGER'S MESSAGE

Town staff continued to make strong progress on priorities identified in the Strategic Plan. During this period, the Town hosted several community events, including the Great American Cleanup, the Doc Close Road renaming event, and the Memorial Day Ceremony. We appreciate the participation of both the public and Council in these events.

Several Council members also represented the Town by hosting the Colorado Municipal League District 4 meeting and attending the Monument Fire District Awards and Graduation, the Armed Forces Luncheon, Fallen Officer's Memorial Ceremony and Ball, and the Tri-Lakes Cares Taste of Tri-Lakes Cares event.

Staff is preparing for summer through ongoing parks and road maintenance efforts. In addition, staff is supporting the energy efficiency project currently being completed by our vendor, Veregy.

Staff advanced several key projects, including adoption of the updated Stormwater Master Plan and development of a new Roadway and Pavement Design Manual. At the same time, staff maintained a steady pace of development activity and prepared multiple items for upcoming public hearings. Administrative and finance efforts remained focused on policy development, legislative compliance, inventory and records management, grant applications, and development of the 2026 amended budget and 2027 budget.

I participated in the most recent CDBG meeting, where recommendations for grant awards were made to the El Paso County Commissioners. In addition, we continue to work with community partners to advance shared initiatives related to development, future water planning, stormwater, and public safety.

As we head into the summer months, we look forward to our Concerts in the Park series, Monument's Birthday Bash, 4th of July parade and celebration and continued progress on our strategic priorities.

The Town hosted a community recognition ceremony on May 22, 2026, celebrating the renaming of a portion of Old Denver Road to Doc Close Road.

The ceremony emphasized the importance of community involvement, highlighted the 164 public submissions that reflected Monument's identity, and recognized the winning contributor, Catherine McGuire, and her family.



ADMINISTRATION

- Early in May, Kat presented a talk at the ARMA Mile High Chapter's Spring Seminar. She spoke about her experiences and challenges in the first two years of setting up a new records program, and strategies for working as a very small team supporting a full organization. It was a great opportunity to network and learn from other RIM professionals in the region.
- Requested attorneys draft an ordinance and resolution to implement a paid parking program, reviewed all drafts, met with Connie to develop a permit area map, and provided Portia with public notice language for social media and website educational campaigns.
- Requested Kat and Tina review Will's draft AI policies in relation to CORA requirements and records retention.
- Set up a merchant services portal, shared access with Steve Murray for Finance Department reporting needs, and coordinated with support staff to address PCI compliance.
- Updated the fee schedule to align traffic impact fee units with police impact fee units.
- Continued importing records into Laserfiche, including additional contracts, water deeds, PPEOM evacuation plans, and historical records.
- Worked with Kat to develop new templates for FCPA filings and provided Tina with recommendations for updates to campaign finance forms and webpage layouts.
- Participated in a legislative wrap-up webinar with CML, reviewed and summarized key impacts of SB26-114 and SB26-107 related to CORA and liquor licensing for Tina, and updated the website to ensure compliance by linking approved CORA and records retention policies.
- Drafted proposed revisions to the CORA policy in response to SB26-107 and submitted them to the attorney for review.
- Prepared a draft 2027 budget for the Clerk's Department and assisted with budgets for administration, the community development fund, and Town Council.
- Met with the paid parking vendor to obtain additional clarification on resident permits and associated costs.
- Attended an ADA coordinator seminar hosted by CIRSA on May 27.



FINANCE & HUMAN RESOURCES

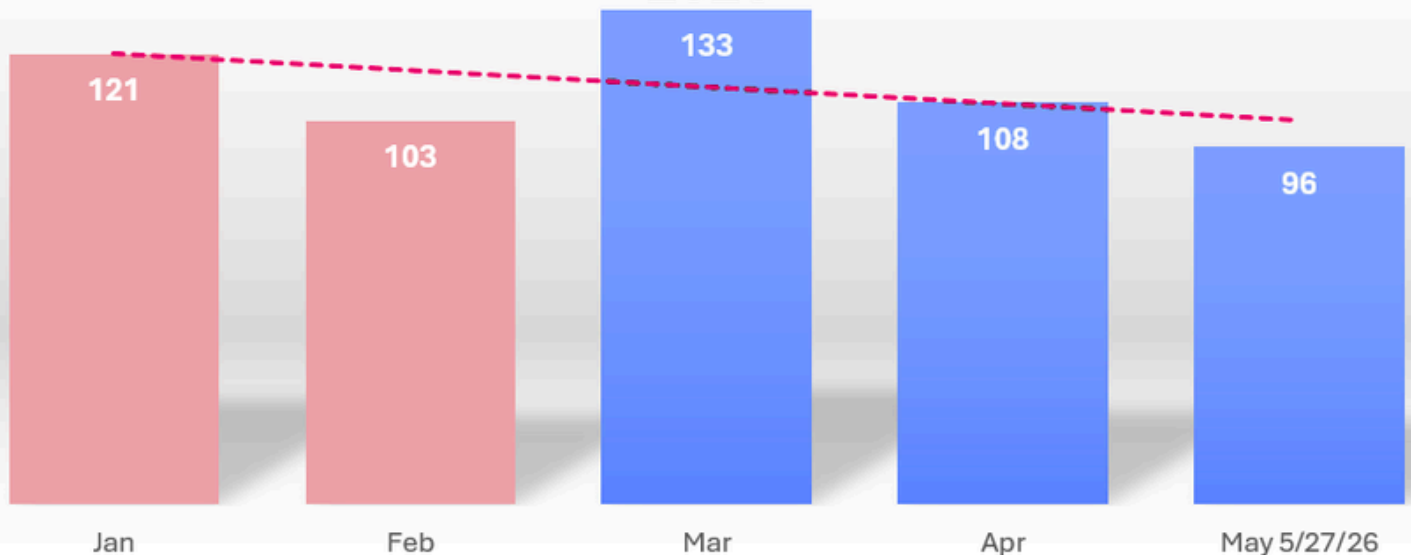
- The 2026 Amended Budget was prepared along with an updated Long Range Financial Forecast.
- The 2025 Audit is nearing completion.
- Finance prepared three new financial policies for Town Council consideration and is developing the corresponding procedures.
- Human Resources developed and finalized a Supervisor Standards and Procedures Manual, with in-house designed and delivered workshops scheduled to begin in July.
- In collaboration with the Police and Planning departments, Human Resources created and posted the Planner I – Zoning and Code Compliance position.
- Finance welcomed Emma as the summer intern.
- Human Resources onboarded one new Police Officer and one Temporary Park Technician.
- Staff submitted a federal grant application for \$100,000 for speed safety equipment on Jackson Creek Parkway through the Safe Streets for All grant program.

INFORMATION TECHNOLOGY

- A total of 108 support tickets were completed in April, reflecting an 18.8% decrease compared to March, with the IT Director resolving 34% of the tickets.
- As of month-to-date May, 96 support tickets have been completed, with the IT Director resolving 40% of the tickets, representing a 6% increase from April.
- Two mobile devices were upgraded to enhance performance and security.
- Updates to the Flock Safety application were coordinated and completed across Police Department mobile devices.
- Two CradlePoint units were provisioned to replace end-of-life vehicle equipment for units 2172 and 2141.
- Two rugged Mobile Data Computers were deployed, including one replacement for end-of-life equipment and one provisioned for a new officer beginning in June 2026.
- Full technology onboarding was completed for Officer Cameron Brown.
- Four end-of-life Mobile Data Computers for patrol officers were replaced.
- Technical setup and support were provided for Planning Commission meeting operations.
- Multiple technology change management initiatives were executed to improve system stability and governance.
- Secure e-recycling of over 240 pounds of technology equipment was completed, including 15 laptops, two UPS units, two network switches, and additional miscellaneous equipment.
- An improved access solution for Caselle billing administration was implemented through a Remote Desktop configuration to enhance performance and user experience.
- Onboarding support was provided for Finance Department summer intern Emma Beery.
- The 2026 IT Amended Budget inputs, 2027 IT Budget development, and department-level IT support cost allocations for 2027 planning were completed.
- Coordination with EnvisionIT and SmartSystems continued to address Council Chambers audio/visual anomalies, with ongoing monitoring showing no recurring issues and a 2026 Amended Budget request submitted for further improvements.
- Support was provided for the Memorial Day Cemetery event as a Name Reader.
- The scheduled Silver Key community support session was canceled for this reporting period.

IT Support Tickets - Closed

2026



PLANNING

		May-26		CYTD-2026		May-25		CYTD-2025	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Single Family	Single Family								
	New	15	\$4,308,696	80	\$371,772,951	10	\$4,163,870	143	\$91,340,270
	Addition/Remodel	2	\$13,200	13	\$14,000	3	\$111,429	47	\$577,241
	SF Subtotal	17	\$4,321,896	93	\$371,786,951	13	\$4,275,299	190	\$91,917,511
Multi Family	Multi-Family								
	New	0	\$0	0	\$0	0	\$0	0	\$0
	Addition/Remodel	0	\$0	0	\$0	0	\$0	0	\$0
	MF Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
Commercial	Commercial								
	New	0	\$0	3	\$14,063,251	1	\$1,200,000	8	\$23,164,303
	Addition/Remodel	0	\$0	2	\$305,000	0	\$0	2	\$10,000
	COM Subtotal	0	\$0	5	\$14,368,251	1	\$1,200,000	10	\$23,174,303
Total Builds		17	\$4,321,896	98	\$386,155,202	14	\$5,475,299	200	\$115,091,814

- Brooke continued supporting Planning and front office operations, coordinated inspections, processed invoices, and assisted with stakeholder notifications regarding the Stormwater Management Plan and Police Impact Fees. Processed 37 permit applications in May, with 34 currently under review.

Fees	26-Jan	26-Feb	26-Mar	26-Apr	26-May
Commerical Alteration	\$825	\$2,225	\$0	\$0	\$0
Commerical New - TOM	\$0	\$0	\$0	\$0	\$0
Commerical New - TRIVIEW	\$26,911	\$176,539	\$0	\$0	\$0
Commerical One Stop	\$100	\$400	\$200	\$130	\$1,550
Land Use	\$11,550	\$0	\$1,650	\$4,100	\$7,500
Miscellaneous	\$450	\$350	\$0	\$0	\$0
One Stop	\$157	\$0	\$572	\$0	\$1,163
Public Works	\$1,875	\$4,350	\$1,175	\$3,425	\$2,200
Residential Alteration	\$2,922	\$460	\$360	\$1,314	\$205
Residential New - TOM	\$53,202	\$33,163	\$18,796	\$11,489	\$20,701
Residential New - TRIVIEW	\$287,143	\$445,982	\$752,665	\$658,850	\$653,841
Total Fees	\$385,135	\$663,469	\$775,417	\$679,308	\$687,160
Number of Permits	17	37	28	25	37
Average Fees Per Permit	\$22,655	\$17,932	\$27,693	\$27,172	\$18,572

- Completed Phase II (“Envision”) of the Monument 2040 Comprehensive Plan update, establishing goals and strategies across land use, parks and open space, housing, economic development, and transportation to inform the draft plan for community review in mid-summer 2026.
- Town Council adopted the 2026 Stormwater Master Plan on May 18, 2026, updating the 2006 plan and providing guidance for infrastructure planning, maintenance, compliance, and capital investment over the next 10–20 years.
- The Planning and Public Works Departments presented the draft 2026 Roadway and Pavement Design Manual on May 4, 2026, providing a long-overdue, comprehensive update to the 2010 standards. The manual will serve as a critical tool for guiding safe, efficient, and sustainable transportation infrastructure. Public comment is open through June, with Council consideration planned for July.
- Facilitated a Planning Commission discussion regarding the regulation of data centers in the Town of Monument. With increasing interest across the Front Range, the Town is evaluating how such uses would be reviewed despite having no current applications. Given their unique infrastructure demands and absence from the Town’s code, staff initiated a policy discussion to better understand potential impacts and regulatory needs. Recommendations from Planning Commission and staff presentation are tentatively planned for the June 15, 2026, Town Council meeting.

- Staff presented the public hearing case for rezoning the Beacon Lite Road Water Tank Site. The Town recently annexed the property and must assign a zoning designation as required by state law. Staff recommended the Public (P) zoning to reflect the site's long-standing function as essential municipal water infrastructure, noting that no operational changes are proposed. The rezoning meets Land Development Code criteria, aligns with Comprehensive Plan goals, and the Planning Commission concurred with staff's recommendation. □ Distributed a survey to Town Council and Planning Commission to gather input on potential updates to design standards for metal buildings.
- Town Council and the Planning Commission received a survey to gather input on potential updates to Land Development Code design standards for metal buildings. This effort is intended to better understand policy direction related to aesthetics, compatibility, and regulatory expectations, with responses informing staff's approach and next steps for potential code revisions.
- The Planning Department maintained a consistent development workload throughout May, with projects progressing routinely through all stages of the review and approval process. Activity across the commercial, residential, and industrial sectors remained steady, reflecting ongoing reinvestment within the Town.
- Projects expected to move to public hearing in July include Karl Malone Powersports and Santa Fe Meadows. Each is currently completing final staff comments or preparing required materials.
- A number of applications are still in active technical review. Native Sun underwent substantial plan revisions due to water availability constraints and is now in a new review cycle. Legacy at Jackson Landing achieved conditional approval of its construction documents from the Town Engineer. Other commercial and residential projects, including Luxelocker, Conexus Lot 1 – Hillpointe Multi-Family, 7-Brew Coffee, Monument Ridge, and 888 Synthes Ave, continue to work through staff comments and resubmittals. Overall, the department expects increased public hearing activity in July.
- Staff conducted a pre-application meeting for a proposed Costco location within the Town, providing the applicant with preliminary guidance on the entitlement process, applicable zoning standards, and key development considerations.
- Recorded 664 views of Town web maps over the past 30 days, reflecting an increase from 618 views in April and continued growth in public engagement.
- Developed an interactive GIS map for Town partners, updated website maps to reflect new Town boundaries, and revised the Police Department safety map.
- Provided GIS and traffic crash data in support of a grant application.
- Attended the Elevation Geospatial Summit on May 20–21, took part in workshops, and helped with hosting the Mapping Contest.
- Planning to support Finance with mapping for the Capital Improvement Plan.
- Submitted application materials for the SIPA Grant with the goal of securing funding to support the purchase and implementation of updated permitting and land development software. If awarded, the grant would help offset costs associated with software acquisition and setup. Award notifications are expected during the first week of June.
- Continuing to recruit for Planning Commission vacancies, including one regular member and two alternates, and encouraging community members to apply.



POLICE



- We welcomed Officer Brown from Colorado Parole.
- Officer Elmshouser is completing his final phase of training before becoming a solo officer.
- We attended the Fallen Officers' Memorial Ceremony and Ball.
- Our second Cops and Bobbers event is scheduled for June 20, 2026. The Colorado Department of Wildlife will be stocking the lake prior to the event.
- We received a \$2,000 grant from the Tri Lakes Women's Group. With this grant we purchased two indoor drones. These drones will allow officers to conduct internal searches of structures prior to entering.
- All of our Flock cameras have been installed and are operational.

PUBLIC WORKS

Facilities:

- Performed maintenance coil cleaning on all rooftop air conditioning units in preparation for warmer weather.
- Worked with Commander Lupton to support the installation of new televisions in the training room.
- Collaborated with Veregy on planning and placement of new controllers and transformers for the solar system.
- Completed maintenance and repairs at the Chamber of Commerce kitchen, including addressing wall leaks, repairing drywall, and improving drainage.
- Performed maintenance on compressor air lines.
- Removed select art projects that were previously installed by artists.
- Repaired and painted existing planning materials for the court team.
- Conducted Requests for Proposals (RFPs) for the front steps at Town Hall and obtained quotes for repairs to the back wall of Town Hall.



Fleet:

- Replaced the starter on one of the zero-turn mowers.
- Repacked wheel bearings on the mower trailer.
- Serviced the Dingo for summer use.
- Completed seasonal servicing of the remaining mowers.
- Replaced a hose securement bracket on one of the backhoes.
- Repaired a damaged trailer plug.



Parks:

- Completed playground equipment repairs at Park Trail Park.
- Performed biannual lake repairs.
- Removed trees to support installation of new police fence at Town Hall.
- Restored water service at Santa Fe Trail Park by accessing underground vault.
- Installed new drinking fountain at Dirty Woman Creek Park.
- Relocated porta-potty at Dirty Woman Creek Park to prevent repeated damage to control valves caused by vehicle traffic.
- Removed pine tree growing within Town Hall wall to prevent structural damage.



Streets:

- Collaborated with the Parks Department to grade and resurface the lake road in preparation for summer use.
- Repaired and installed a new storm drain after a sinkhole developed beneath the roadway.
- Backfilled the affected area and installed new pipe to restore the roadway. Completed asphalt patching work on Beacon Lite Road and within the Past Times neighborhoods.
- Repaired potholes and performed general street maintenance and repairs.
- Installed new railroad crossing signs on 2nd Street to ensure compliance with state code.
- Installed new crosswalk signs along 2nd Street to improve pedestrian safety, replacing previously damaged signage.



Water:

- Responded to a small grass fire caused by a failing pole-mounted transformer, coordinated with the Fire Department and MVEA, and monitored ongoing leakage and re-ignition risk until the unit was secured.
- Removed fencing around the booster station in preparation for the upcoming Police Department parking lot fence installation.
- Completed meter installations on Front Street.
- Painted the booster station building.
- Purchased a trailer to support operations.
- Began development of an inventory system.
- Responded to multiple leak calls that were determined to be on the property owners' side.
- Maintained account changes and managed the billing system during the billing technician's absence.
- Collaborated with the water consultant to evaluate potential future water system initiatives.

