

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**

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April 21, 2023

Glant Havenar Town of Palmer Lake 42 Valley Crescent, PO Box 208 Palmer Lake, CO 80133

Dear Mayor Havenar,

We are pleased to inform you that the U.S. Department of Housing and Urban Development (HUD) has notified El Paso County that it may re-qualify for designation as an Urban County; **notification from HUD is attached**. El Paso County intends to seek that redesignation and, if successful, will be eligible to receive an allocation of Community Development Block Grant (CDBG) funds for federal fiscal years 2024-2026. The goal of the Community Development Block Grant 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 automatic renewing intergovernmental agreement (IGA) in effect, the Town of Palmer Lake is allowing CDBG funds to be utilized if included in the Urban County. Also, should El Paso County receive a percentage of HOME or ESG funding, incorporated communities that choose to participate in the CDBG program are automatically included in a HOME or ESG consortium with El Paso County. As a result of participation in the Urban County, the local government will be exempt from applying for CDBG funding from the State of Colorado or participating in other HOME or ESG consortiums. However, the Town of Palmer Lake has the right to be excluded from inclusion in the Urban County and terminate their renewing intergovernmental agreement with El Paso County. An election to be excluded is effective for the entire three-year period (2024-2026) unless the Town of Palmer Lake specifically elects to be included in a subsequent year.

We welcome the opportunity to discuss this further with the Town of Palmer Lake. HUD requires that the Town of Palmer Lake notify El Paso County and HUD in writing of its intent to be included or excluded from the Urban County by **May 12, 2023**. Attached, you will find drafts of inclusion and exclusion letters. Please copy the content of ONE of the letters onto official letterhead, sign, and return to our office, denoting your intent to either be included or excluded in the Urban County by **May 12, 2023**. Please electronically submit your letter to natashanorth@elpasoco.com. Failure to respond means the Town of Palmer Lake is considered part of the urban county for FYs 2024-2026, due to the automatic renewing IGA in effect. Feel free to contact us with questions.

Respectfully,

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Luke Houser

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Luke House

CC: Dawn Collins, Town Administrator/Clerk; Jennifer Schumann, HUD CPD Representative