



## Details on Incentives for Early Adoption of Fast Track

### How to qualify for incentive funding:

**Eligibility:** A municipal or county government needs to have filed a Prop 123 baseline and commitment with DOLA (view [a complete list here](#)) and complete the steps below.

- **Step 1. Adopt Fast Track policy by December 31, 2025 for up to \$50,000.**
  - Jurisdictions that adopt between January 1 - June 30, 2026, will be eligible for incentive awards, though awards will be less than \$50,000.
  - As long as the date of policy adoption occurs by the deadline, the next steps can take place after the deadline.
  - Policy adoption requires a decision by the governing body such as City Council, Town Board, or County Commissioners, usually in the form of an ordinance, land use code amendment, or resolution.
- **Step 2. Submit documentation of policy adoption through [DOLA's Prop 123 Portal](#).**
  - Jurisdictions will be asked to upload documentation and respond to the following questions about fast track policy adoption:
    - Has your jurisdiction implemented a system to expedite the development review process for affordable housing projects, which meets the requirements of CRS § 29-32-105(2) et seq as outlined within the [Prop 123 Compliance Guidance](#)? yes/no
    - Describe how you have demonstrated or codified the expedited review process on affordable housing development projects.
    - Upload documentation. (Example documentation could include an ordinance, resolution, or land use code amendment.)
  - Once DOLA verifies compliance with the statutory requirements of Prop 123, proceed to step 3.
- **Step 3. DOLA awards incentive funds to local governments.**
  - Funds will be awarded from DOLA's [Local Planning Capacity \(LPC\) grant program](#), administered by DOLA's Division of Local Government.
  - Jurisdictions will submit a budget and scope of work for spending the awarded incentive funds. Incentive funds can be spent on allowable planning activities and expenses that are considered eligible under the [LPC grant program guidelines](#).



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### Technical Assistance & Courtesy Review

- **DOLA's Fast Track Guidance website** (<https://cdola.colorado.gov/prop123fasttrack>) is intended to provide statutory interpretation, strategies and best practices for streamlining the development review process, providing clarity and support to local governments on the fast track requirements in Proposition 123.
- DOLA staff are available to provide technical assistance, meet with your team to answer questions, or offer "courtesy review" of draft fast track policy language prior to adoption.
- For technical assistance or questions, schedule a meeting with Robyn DiFalco using [this scheduling link](#), or call 720-682-5202. To request a "courtesy review" of draft policy language, please submit files via email to [robyn.difalco@state.co.us](mailto:robyn.difalco@state.co.us) and allow at least two weeks for feedback. DOLA will review and provide feedback on whether the proposed policy language aligns with DOLA's interpretation of the statutory requirements. This feedback should not be considered legal advice. Jurisdictions are encouraged to consult with their own legal counsel.

### Logistical Details

**Award Process:** Funds will be awarded through an Intergovernmental Agreement (IGA) between DOLA and the local government, similar to other DLG grants. Awardees would not need to submit a full application but simply provide a budget and scope of work describing how funds would be spent.

- **Current LPC grantee communities:** Incentive funds would be awarded as a supplemental addendum to the existing grant agreement. Funds can either extend your existing budget, or could be used for a new or different scope of work.
- **Non-LPC grantee communities:** Incentive funds would be considered a new grant award, with a new grant agreement established between DOLA and the local government. Budget & scope of work details can be finalized through discussions with DOLA staff, then submitted through DLG's Grant Portal, in order to establish a project number

**Notice of Award:** Funds cannot be spent until a grant agreement is fully executed. This process can take 4-12 weeks. Awardees may begin the procurement or hiring process during this time but should not sign agreements until the date of grant execution. Expenses incurred prior to grant execution cannot be reimbursed.

**Competitive Procurement Requirements:** Procurement and hiring processes should be open and competitive (per 2 CFR 200.319) and shall avoid real or apparent organizational conflicts of interests and non-competitive practices when state funding is used. [Review Procurement Guidance](#).

**Distribution of Funds:** Incentive funds are disbursed as reimbursements. A Request for Reimbursement form, documentation of expenditures, and proof of payments must be submitted through the DLG Grants Portal. Payments are typically made via direct deposit, but can be issued as a warrant check if this method is preferred.

**Reporting Requirements:** Incentive fund recipients will need to submit brief updates on the status of spending and project implementation. Expenses are reimbursed through the DLG Grants Portal.



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### Frequently Asked Questions

**1. What if my jurisdiction's development review process is already compliant with the Prop 123 fast track requirement? Are we still eligible for the incentive funding?**

- Those local governments that already comply with the Prop. 123 expedited review requirements should review their processes, consider potential improvements, and adopt language that aligns with Prop. 123. DOLA has provided this [downloadable template resolution](#) on our [Fast Track Guidance website](#).
- Note: Policy adoption by Resolution would not necessarily be accepted for a community whose development review process is typically longer than 90 days per application. DOLA would typically expect to see policy language included in the land use development code. Check with LPC staff if you're unsure.

**2. My jurisdiction recently adopted a Prop 123-compliant fast track policy, just before the incentive was announced. Are we still eligible for the incentive funding?**

- Yes. The intent is to recognize and reward early adoption of fast track. Your jurisdiction would be eligible for the incentive award (subject to review by DOLA)..

**3. My jurisdiction is currently a partner in a multijurisdictional LPC project. If we adopt fast track before other partner jurisdictions, are we eligible for the incentive funding? How would that work?**

- Yes, DOLA would allow the incentive funds to be awarded either as a solo-jurisdictional award, or combined as a multijurisdictional award. DOLA will work with your community to understand the local preference for awarding these funds.
- Each jurisdiction would be eligible for the incentive award independent of neighboring jurisdictions' implementation efforts.

**4. What if my community has not opted into Prop 123, but we have adopted an expedited review process?**

- A jurisdiction that is not eligible for Prop 123 funding would not be eligible for this incentive award. To become eligible, a jurisdiction would need to establish a baseline and file a commitment. [Learn more on the Prop 123 website](#).

#### For questions, contact:

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