

NEWS RELEASE

Survey investigates power of partnerships for Colorado municipalities

CML survey details how the state's cities and towns work with other local governments to get the job done

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DENVER, Colo. – Tuesday, Jan. 7, 2025 – The 2025 State of Our Cities & Towns survey, administered from August to October 2024, inquired about the power of partnerships between Colorado municipalities and other local governments, including counties, school districts, and special districts. Specifically, the survey investigated how such partnerships are helping cities and towns overcome challenges across the key areas of emergency services, housing, public transit and transportation infrastructure, and utilities.

About 95% of survey respondents reported partnering with another local government in at least one topical area. Front Range municipalities and large cities of over 25,000 people partner with other local governments at higher rates than smaller municipalities and cities and towns in other areas of the state. The most common areas for intergovernmental partnership included emergency services, elections, and economic development.

When looking across topical areas, the most impactful benefits of intergovernmental partnerships included "improving quality of services," "reducing costs," and "aggregating resources." About two-thirds of municipalities that partner with other local governments ranked "improving quality of services" as a top three benefit.

Municipal officials identified state-mandated expenditures as the top challenge for cities and towns going into 2025. More than 75% of survey respondents, across all population sizes and geographic regions, identified state-mandated expenditures as a moderate or major challenge for their municipal government. Lack of affordable housing ranked second, and unfunded street maintenance ranked third.

Most municipalities reported both their local economy and municipal revenues as performing on par with the previous fiscal year. Small municipalities and cities and towns located in the Eastern Plains were less likely to see economic improvement and revenue increases than their larger counterparts in other geographic regions.

The 2025 report features spotlight articles on a partnership between 10 municipalities and six counties in Southeast Colorado to build workforce housing, a collaboration between Weld County and 14 of the county's municipalities to provide on-demand transportation services, and more.

Key findings of the survey include:

Economic data:

- 50% of respondents reported their local economy performing about the same in 2024 as in 2023
- 44% of respondents reported their municipal revenues as about the same in 2024 as in 2023
- Sales and use taxes, charges for services, investment and interest income, and property taxes emerged as the top increased revenue sources for responding municipalities
- A slightly larger share of municipalities reported worse revenues over the previous year than those that reported better for the first year since 2020, the year of the COVID-19 pandemic

Emergency services partnerships:

- 83% of respondents collaborate with other local governments to provide emergency services, whether in law enforcement, fire protection, or ambulance response
- Of respondents that maintain emergency services partnerships:
 - 44% collaborate with a sheriff's office to provide law enforcement services, whether on a full-time or part-time basis
 - 64% access fire protection services through a special district; 18% operate such services through municipal government
 - 59% access ambulance services through a special district (whether a fire, ambulance, or health district); 15% operate such services through municipal government

Housing partnerships:

- 47% of respondents partner with other local governments on housing
- Of the respondents that collaborate on housing:
 - 65% collaborate on housing authorities, most commonly contributing direct funding (64%) and leadership (54%)
 - 53% collaborate on housing needs assessments, most commonly partnering with counties (84%), other municipalities (68%), and local (30%) and regional (32%) housing authorities to do so
 - Other common intergovernmental partnerships in the housing realm include collaboration on state grants, agreements with special districts to reduce or waive development fees, shared development costs for affordable housing construction, and land donations

Public transit & transportation infrastructure partnerships:

- 45% of respondents partner with other local governments on public transit
- Of the respondents that collaborate on public transit:

- 47% partner on fixed-route transit services; 26% do so to provide on-demand transit services
- $\circ~$ 47% partner with counties; 40% do so with other cities and towns
- 37% of respondents partner on transportation infrastructure
- Of the respondents that collaborate on transportation infrastructure:
 - 75% partner on trails; 67% do so on roads
 - $\circ~~56\%$ partner with counties; 50% do so with other cities and towns

Utility partnerships:

- 50% of respondents partner with other local governments on utilities
- Of the respondents that collaborate on utilities:
 - o 25% access water and wastewater through a special district
 - Most cities and towns that operate their own water and wastewater utilities generate enough revenue to cover service costs
 - o 85% access broadband through a private company
 - Almost all respondents access gas and electric through a private company or nonprofit cooperative

The full report can be viewed at <u>cmlresource.com/state-of-our-cities-and-towns-2025/.</u>

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<u>Colorado Municipal League</u> (CML) is a nonprofit, nonpartisan organization established in 1923 and represents the interests of 271 cities and towns. For more information on the Colorado Municipal League, please visit <u>cml.org</u>, call 303-831-6411 or stay connected on <u>Facebook</u>, X, <u>LinkedIn</u> and <u>YouTube</u>.