

Government Affairs Update

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LOCAL

Larimer County

Fort Collins

Montava Project Receives More Approvals: The Fort Collins City Council passed a pair of ordinances on February 18 that will allow the 1,000-acre Montava project to move forward. The Planned Unit Development (PUD) ordinance provides a framework for how Montava will develop over time. The second ordinance gives the project vested rights, which is important because developer Max Moss said it will take about 25 years to complete the entire project.

At build out, Montava could include as many as 4,000 new homes including a mix of single-family, attached and multifamily units. It will also include schools, retail development and acres of parks and trails.

In response to resident complaints about current traffic issues in the area, especially on Country Club Road, staff explained that the developer will be required to pay for the construction of two new north/south arterial streets to alleviate the project's traffic impact. Because the development will be phased, a new traffic study will be required for each phase, presenting additional opportunities for the City to assess the traffic impact and require more mitigation by the developer. (The City and Larimer County are also working together to address current traffic issues in the area.)

While the majority of the Council seemed satisfied by the public benefits of the project, including a 40-acre working farm, affordable housing, zero-energy homes, schools, parks and trails, etc., Councilmember Ross Cunniff remained unimpressed. He said the approval for the project was rushed and argued Montava got special treatment from staff and Council. Cunniff also expressed concern about chemicals at the Anheuser Busch plant, saying it was dangerous to put housing near an industrial facility. The Council voted 6-1 in favor of the PUD and the vested rights ordinances, with Ross Cunniff voting in opposition to both.

Loveland

Mayor Pushes For Inclusionary Housing Discussion: On March 3 Loveland Mayor Jackie Marsh asked the City Manager why inclusionary housing has not been added as a topic for a study session. The Mayor argued she had asked for this a year ago and wanted to know why it had not been acted upon. She said, "The leading cause of homelessness is a lack of affordable housing." She noted that Longmont requires 12 percent of a new development to be deed-restricted for sale to lower income families, which she thought was great.

City Manager Steve Adams explained that the previous request for inclusionary housing information had been implemented with the release of a staff memo outlining inclusionary housing policies in other cities. In order for the topic to be added to an agenda the Mayor would need another “Rule of Four.” However, only Council member Andrea Samson supported the request so the Mayor’s attempt to move the topic forward was unsuccessful.

Charter Amendment Proposals Stall: New Councilmember Rob Molloy had suggested it was time to review Loveland’s City Charter after his election in November. He received support from Mayor Marsh and Councilmembers Samson and Wright via a “Rule of Four.”

On March 3 the Council received an update on the process required to revise the Charter. In addition, through one-on-one meetings, City Attorney Moses Garcia assembled a list of proposed amendments from the Council. The most interesting concepts including extending the Mayor’s term of office from two to four years, giving the Mayor the authority to set Council agendas, and designating the Mayor to serve on regional boards as Loveland’s representative. In addition, prohibiting financial contributions from limited liability corporations (LLCs) and developers were also on the list.

When Councilmember Kathi Wright asked where the list of amendment ideas came from, no one would take responsibility. Councilmembers Fogle, Clark and Overcash said they had no interest in any of the proposals. Councilmember Andrea Samson was disappointed, saying she had hoped they would talk about actual Charter changes that night. Councilmember Molloy suggested a Council committee could come up with a short list of amendments which could then be discussed at a study session.

Clearly, a minority of the Council is interested in major changes to the City Charter, such as giving the Mayor a four-year term. However, it is also obvious that any amendments giving the Mayor more power would face a serious challenge.

Timnath

Town Council Approves Comp Plan Update: The Timnath Town Council approved an update to the town’s Comp Plan on February 25. The update process took a year and included public participation and a steering committee consisting of Planning Commissioners, residents and business owners. One of the main goals of the update was to combine multiple plans into one cohesive planning document, including the 2013 Comp Plan, the 2011 Parks, Recreation, Open Space and Trails Plan and the 2013 Downtown Plan.

According to staff, one of the significant changes from the previous Comp Plan was incorporating land use designations in portions of Timnath’s Growth Management Area (GMA) that are currently in unincorporated Larimer County. In 2014 Timnath

and Fort Collins agreed to changes that increased the town's GMA to north of Cobb Lake and added land along I-25, and these areas needed land use designations. Now the town is ready in the event that an annexation application comes in for property in those areas. Another change is the condensation of 16 land use designations to eight broader categories to give property owners more flexibility.

COLORADO ASSOCIATION OF REALTORS®

Housing Affordability Panel: In conjunction with its REALTOR® Day at the Capitol & Economic Summit, CAR hosted a panel discussion on housing affordability. Read more here:

<https://denverite.com/2020/02/15/limits-on-growth-get-attention-during-affordable-housing-discussion/>

Legislative Update: Here's a summary of the positions taken by the LPC (Legislative Policy Committee) at its most recent meeting. For more information, contact Elizabeth Peetz, CAR's Vice-President of Public Policy.

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HB-1332 "Prohibit Housing Discrimination Source of Income" CAR Position - Amend

The bill adds discrimination based on source of income as a type of unfair housing practice. "Source of income" is defined to include any source of money paid directly, indirectly, or on behalf of a person, including income from any lawful profession or from any government or private assistance, grant, or loan program. HB-1332 would prohibit landlords from refusing to rent, show or advertise properties based on a person's source of income. The restrictions do not apply to a landlord with 3 or fewer rental units.

This bill prompted a long discussion but ultimately the LPC voted to adopt an "Amend" position, which means the bill requires significant changes. The amend position allows CAR's lobbyists to discuss the bill with its supporters.

HB-1333 "Homeowners Association Transparency Responsibility" CAR Position - Amend

The bill increases requirements for disclosure and transparency in the operations of homeowners' associations (HOAs). Provisions of HB-1333 would require online posting of an HOA's governing documents, fees and management contact information. In addition, it would allow HOA members to record portions of an open meeting and prohibit any action taken at an open meeting by written or secret ballot unless at least 20 percent of the owners in attendance request it. Finally, the bill places limits on the amount of time that may pass before control of the HOA is turned over to owners.

This bill requires significant amendments and concerns were expressed about the costs it would create for HOAs.

SB-184 “Add to Public School Financial Literacy Standards Position” CAR Position -Support

The bill directs the State Board of Education to review standards relating to the knowledge and skills that a student should acquire in school to ensure that the financial literacy standards for ninth through twelfth grade include an understanding of the costs associated with obtaining a postsecondary degree or credential and how to budget for and manage the payment for those costs, including managing student loan debt; understanding credit cards and credit card debt; and understanding retirement plans, including investments and retirement benefits.

Students need to learn about financial literacy. This will help future generations of students to become homeowners. An amendment to incorporate language related to homeownership was added to the bill prior to the LPC’s consideration of the bill.

HB-1155 “High Efficiency New Construction Residence” CAR Position – changed from Oppose to Amend

Current law requires home builders to offer a solar panel or solar-thermal system or to pre-wire or plumb the home for these systems. HB-1155 requires a home builder to offer either an electric vehicle charging system; upgrades of wiring to accommodate future installation of an electric vehicle charging system; or a 208- to 240-volt alternating current plug-in located in a place accessible to a motor vehicle parking area.

An amendment supported by CAR requires the Department of Energy to give consumers education regarding solar leases versus the purchase of a solar system. The Colorado Association of Home Builders now has an amend position as well. While more revisions are needed, the bill is better now than it was when introduced. The revised position will help CAR lobbyists to have more fruitful discussions with the bill’s sponsors.

SB-109 “Short Term Rental Property Tax” CAR Position: Oppose

Good news! The bill to charge owners of short-term rentals the commercial property tax rate died in committee.

HB-1201” Mobile Home Park Residents Opportunity to Purchase” Sponsored by Edie Hooten (Boulder) and Joann Ginal (Fort Collins) CAR Position – Monitor

The Housing Subcommittee wants more information on this bill, so the LPC took a monitor position on it for now.

HB-1200 “Sunset Homeowners Association Information and Resource Center”
CAR Position - Monitor

This bill continues the HOA Information and Resource Center for 5 years, until 2025. It also creates a dispute resolution and enforcement program (program) under which the Division of Real Estate will collect and annually report upon additional data specifically related to disputes and violations of the "Colorado Common Interest Ownership Act" (act); take complaints, conduct investigations, make determinations, impose penalties, and participate in administrative dispute resolutions when there are alleged violations of the act or the program.

The LPC’s Regulatory Subcommittee is concerned about the financial impact of this bill and recommended a monitor position until the fiscal statement is available.

STATE

Don’t Sign Petitions for Initiative 122! Signature gatherers have been spotted in Northern Colorado asking voters to sign a petition to put Initiative 122, a no growth measure, on the November ballot. Please decline to sign this petition.

Initiative 122 is a statewide measure that caps growth and housing in the 11 Front Range counties. Initiative 122 would limit the supply of housing, driving up the price of homes and apartments and placing much of that burden on working families, seniors and Coloradans on fixed incomes.

Initiative 122 deceptively includes a slightly higher allowance for affordable housing. But with our region being more than 20,000 affordable units behind, Initiative 122 will make affordable housing nearly impossible to build. Finally, Initiative 122 will push development into rural counties and cause urban sprawl to replace farmland and open spaces, while making traffic congestion even worse for Coloradans.

The Colorado Association of REALTORS® Political Action Committee has already approved funds for the Opposition Campaign to fight Initiative 122. However, the most cost-effective way to oppose it is to do what you can to ensure it doesn’t make it to the ballot. If proponents don’t gather enough signatures, then 122 will not go forward.

NATION

NAR Hosts Housing Affordability Forum: Housing Affordability is a top priority for NAR in 2020.

This topic was the focus of NAR’s second annual [Policy Forum](#), hosted recently in Washington, D.C.

“As America confronts low housing inventory and a persistent lack of affordable housing options, NAR was grateful to bring together some of the brightest minds in

our industry at today's Policy Forum," said NAR President Vince Malta. "With housing affordability set to be one of the defining policy issues of this decade, it is imperative for NAR – along with economists, lawmakers and other industry stakeholders – to lead discussions that will generate solutions to these far-reaching problems."

Earlier this year, NAR Chief Economist Lawrence Yun released a report showing that major U.S. metro areas where housing affordability has worsened over the last five years have seen a corresponding drop in job growth. Specifically, housing affordability rankings have declined in 81 of 174 U.S. metro areas, while 34 regions are seeing job growth fall faster than the national average over the past five years. <https://www.nar.realtor/sites/default/files/documents/2020-home-price-gains-by-tenure-full-report-02-04-2020.pdf>

While barriers inhibiting development remain, NAR has supported policies it believes could bring relief to the market. In response to HUD's Request for Information on policies that "raise the costs of affordable housing and contribute to... low housing inventory," NAR has argued for improved FHA underwriting criteria that is more equitable for first-time homebuyers; incentivization of "Yes in My Backyard" markets to encourage states and localities receiving Federal dollars to reform high-density zoning; and for additional Community Development Block Grants that encourage localities to update development plans and address barriers to housing affordability.

Separate NAR research projects that \$220 to \$400 billion would be added to the economy if the pace of homebuilding and for-sale housing activity returned to a more normalized level, translating to 0.25% to 0.50% in added annual GDP growth over the next four years. NAR unveiled separate reports examining (inclusionary) [zoning](#), [Accessory Dwelling Units](#) and, most notably, a [White Paper reiterating the case for homeownership while calling on Congress to restore homeownership incentives in the U.S. tax code](#).

"No longer providing a tax incentive for buying a home versus renting is a fundamental policy shift for tens of millions of households," the White Paper reads. "A larger number of households in the middle-class, minority and millennial groups... continue to face the greatest headwinds to increased homeownership. In order to ensure U.S. tax policies support access to the American Dream of owning a home... it is imperative that homeownership... be incentivized in the Federal tax system."