

Dennis Houston
President and CEO

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Senate Bill 177 Hearing
Senate Business, Labor and Technology Committee
Remarks by Dennis Houston



Good afternoon Senators:

On behalf of the Parker Area Chamber of Commerce, our Board of Directors, our 650 businesses and the 10,000 employees they represent, I ask for your support of SB177. I stand before you today to discuss Colorado job creation. I stand before you today to discuss creating a major increase in economic development efforts. I stand before you today to discuss attracting AND keeping talent in our communities to support our dynamic business and job growth in Colorado. I stand before you today to discuss making the American dream - the Colorado dream come true for thousands of people who live in Colorado or who plan to in the near future.

There is one roadblock that currently stands in the way of making all of these things happen. That roadblock is a defect in state law that prevents entry level housing like condos and townhomes to be built in communities across Colorado. It exposes homebuilders and homeowners to a high risk of expensive, time-consuming litigation. It has created a climate that kills the opportunity for new construction of affordable, multi-family housing, scaring off investment in the affordable-housing market. It is forcing would-be homebuyers to rent, instead of owning a home.

Because of this, rental rates in the Denver metro area alone rose 300% more than the U.S. national average this past year. In addition, in 2007 there were 870 condos and townhomes constructed to be sold in downtown Denver. In 2014, that number dropped a whopping 96% to only 37 units constructed. Statewide, condos and townhomes account for 4% of new construction compared to the national average of 20%.

This is truly a statewide problem that reaches all four corners of Colorado. It especially hits close to home for us in the Parker, Colorado.

- We have 30,000 people who will be moving to our community of 50,000 in the next few years. I have one question. Where will they live?
- We have young adults who currently are, or want to be part of our workforce. They want to move to Parker but don't need or can't afford a 4-bedroom house. I have one question. Where will they live?
- We have hundreds of retirees each year who want to relocate to Parker to be close to kids and grandkids. They are all looking for a condo or townhome. I have one question. Where will they live?
- We have more than 7,000 families in Parker who will become empty nesters in the next few years. They won't need that big house anymore but they want to stay in Parker. I have one question. Where will they live?
- We have more than 150,000 people moving into Douglas County in the next few years. Many of them don't need a big house or do not want to rent. I have one question. Where will they live?

The Colorado General Assembly can no longer wait to address this statewide problem. They need to enact bipartisan, common-sense reforms that reduce the threat of expensive, time-consuming litigation, increase the supply of attainable housing, and protect the rights of all homeowners in a community. OVER →

Senate bill 177 will:

- Create a quick resolution process that is fair to homeowners who need repairs while protecting the rights of all owners in a community;
- Allow construction of more diverse and affordable housing options so that young workers can own rather than rent and seniors can make housing choices;
- Encourage new developments near light rail and transit stations that provide easy access to commuting, shopping and urban-living options, and promote density and sustainable housing options that consumers want but cannot access currently; and
- Foster conditions that will encourage builders to construct more affordable housing and thereby provide increased homeownership opportunities.

It's time to fix the defect in Colorado law with common-sense steps that open the door to attainable homeownership while protecting the legal rights of all homeowners in a community.

Senate Bill 177, sponsored by Senators Scheffel & Ulibarri and Representatives DelGrosso & Singer, would reinvigorate a key component of the housing sector of our state's economy. It would foster conditions that encourage builders to construct more affordable housing, provide increased homeownership opportunities for all Coloradans and stimulate our state's economy.

Today I ask our elected officials in both the State Senate and the House of Representatives to stand in unity with us to create jobs, attract talent and develop a solution to our housing shortage. The defect in the construction law is not a Democrat or Republican problem. It's a Colorado problem that working together we can fix.

Let's fix the defect in Colorado law. Please stand with me today to support Senate Bill 177.

Sincerely,



Dennis Houston

