

Government Affairs Update

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LOCAL

Larimer County

Strategic Plan Targets Affordable Housing: Larimer County Manager Linda Hoffmann was one of the main speakers at the 2019 Bizwest Economic Forecast on January 30. She noted that the County's new strategic plan has three main goals: ensuring adequate infrastructure, providing programs and services to a growing population and ensuring efficient county government. Hoffmann said that housing affordability is an important strategic plan goal but did not offer any specifics. It will be interesting to see how this unfolds because housing is traditionally located in urban areas and is therefore the province of municipal government.

Commissioners Reject Thornton Pipeline Request: On February 11, the Larimer County Board of Commissioners denied the City of Thornton's 1041 application for a pipeline to move 30,000 acre-feet of water owned by Thornton from a reservoir north of Fort Collins to the Denver suburb. 1041 powers, approved by the Colorado legislature in 1974, allow local governments to "identify, designate, and regulate areas and activities of state interest through a local permitting process. The general intention of these powers is to allow for local governments to maintain their control over particular development projects even where the development project has statewide impacts."

Larimer County planning staff had recommended approval of the application, saying the proposed route along County Road 56 would cause no significant impacts to the natural or man-made environment, is a reasonable alternative with a "balance between the costs" and the applicant (Thornton) would mitigate "adverse effects." Nevertheless, the Commissioners unanimously voted against the application. Commissioner Steve Johnson said a number of citizens sat through hours of public meetings, which convinced him that there is a "significant adverse impact on people."

In addition to opposition from 20 property owners, Save the Poudre, an environmental group which also opposes NISP, and a self-described grassroots organization called No Pipe Dream, which claims to have 600-plus supporters, also called for the Commissioners to deny the application.

The City of Thornton has two alternatives. It can return with a new plan to transport its water, or it can challenge the Commissioners' decision in court.

Loveland

Council Approves Sales Tax Increase Outreach: At its annual retreat the Loveland City Council agreed the City should proceed with public engagement regarding a possible .5 percent sales tax increase for capital projects. The idea was suggested last year but was delayed to give the Thompson School District a better chance of passing its mill levy override and bond measures.

As of now, the proposed project list includes a new recreation center on the west side of the city, widening U.S. 34, expanding the Loveland Museum, a satellite branch for the Loveland Public Library, improvements to Taft Avenue, underpasses under arterial streets for recreational trails and replacing Fire Station 3 and renovating Fire Station 5. The Council agreed a poll of randomly selected residents will be the first step in determining which projects citizens might support.

Ultimately the Council will have responsibility for determining if there is enough of an “appetite” for increasing the sales tax this November. At this point the Council is clearly divided both on the need for such a tax increase and which projects should be included. In addition to the poll, a citizen task force has been convened to provide input on the final project list.

COLORADO ASSOCIATION OF REALTORS®

Legislative Update: At its most recent meeting, CAR’s Legislative Policy Committee (LPC) learned that the Speaker of the House, Boulder’s KC Becker, told members of her party that she will not support any rent control bills this year. CAR lobbyists said she is getting pressure from her fellow Democrats to give renters more power than landlords. As you will see below, several bills that would do just that have a good chance of passing the legislature this session.

HB-1167 “Remote Notaries Protect Privacy” CAR Position – Support

CAR lobbyists have worked diligently to promote the privacy of consumer data in any transaction using remote notary technology. This is basically CAR’s bill, and the first remote notary bill the LPC has supported. Learn more here:

<https://www.notarize.com/knowledge-center/what-is-a-remote-notary>

SB-84 “Revised Uniform Law Remote Notarization” CAR Position – Oppose

CAR opposed this bill because it did not protect consumer data. It was postponed indefinitely, e.g., “killed” in the committee where bills are sent to die, the Senate State, Veterans & Military Affairs Committee on January 30.

HB-1106 “Rental Application Fees” CAR Position – Oppose

The bill states that a landlord may not charge a prospective tenant a rental application fee unless the landlord uses the entire amount of the fee to cover the landlord's costs in processing the rental application. It was passed by the House Business Affairs and Labor Committee and is currently facing a formal vote by the “Committee of the Whole,” i.e., the House. Once it is approved by the House it will undergo a similar process in the Senate.

**HB-1141 “Preserve Senior and Disabled Veteran Property Tax Exemption”
CAR Position – Monitor**

The LPC is waiting to review the fiscal note on this bill, which will analyze the impact of the legislation on the State budget.

HB-1118 “Time Period to Cure Lease Violation” CAR Position – Neutral

Originally, this bill would have increased the time for a tenant to “cure a violate” for unpaid rent or other conditions of a lease agreement from thee to 14 days. However, it has been modified to exempt single-family homes and CAR has modified its position.

NATION

NAR Pushes for Condo Rules: On Wednesday, January 30, NAR President John Smaby strongly urged U.S. Department of Housing and Urban Development (HUD) Secretary Carson to release the long-awaited final Federal Housing Administration (FHA) condominium rules. For the past several years, NAR has been advocating for a revision of the condominium rules that would enable more deserving families to become homeowners without harming FHA's financial stability. As of January 2019, FHA has approved only 9,427 of 52,410 condominium project applications. Given there are approximately 145,000 to 155,000 condominium projects in the U.S., this is an incredible loss of housing options to many prospective homebuyers.

USDA Issuing Conditional Commitments: Following the end of the government shut-down, the U.S. Department of Agriculture (USDA) Rural Housing Service is once again issuing Section 502 Conditional Commitments, which are required for USDA loans to close. Per USDA, there were 3,236 outstanding Conditional Commitment requests as a result of the government shut-down. USDA Rural Housing staff is working to get those USDA Guaranteed Loans processed. USDA has temporarily set-up a team dedicated solely to processing rural development loans. The estimate is that this team will be able to process 400 loans per week. This is in addition to the normal loan processing done by USDA Rural Housing staff. They expect to get through the backlog in the next few weeks.