

Government Affairs Update

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LOCAL

Larimer County

County Creating Oil and Gas Task Force: The Board of County Commissioners has decided to organize a task force to recommend land use regulations for oil and gas development. The task force will be comprised of 15 representatives, including environmental experts, industry representatives, landowners, community members and a few representatives with expertise in public health or economic development. According to a draft charter, the task force is charged with developing regulations to "provide for responsible development of oil and gas resources while protecting the public's health, safety and welfare and (to) prevent and mitigate adverse environmental impacts."

The task force will begin its work in May and the Commissioners hope to hold a public hearing on the regulations this fall. This is timely because of Senate Bill-181 would allow more local control of oil and gas development. Larimer County doesn't currently have any oil and gas land use regulations although the oil and gas deposits in Larimer are relatively insignificant compared to Weld County. Note: Hopefully a few REALTORS® will apply to serve on this important task force.

Changes Proposed for Short Term Rentals: Larimer County is proposing changes to its short-term rental (STR) regulations. Currently, short-term rentals are only allowed in certain zones (farming, forestry, open and accommodations). The revised rules would also allow STRs in residential zoning districts. This means that STRs would be allowed in most of the County.

The current approval process is expensive and time-consuming. The County is planning two different processes depending on size. The process for smaller STRs (10 or less occupants) would take up to 60 days, cost \$700 and would require administrative approval. Larger STRs (more than 10 occupants) would require a longer, more expensive process and would require approval by the Board of County Commissioners.

The proposed Land Use Code standards for STRs are similar to those in place for most municipal jurisdictions. The County intends to require a property manager "within one hour or less travel distance" from an occupied STR. The unit must pass a life and safety inspection. Large STRs would also require a fire sprinkler system.

The County anticipates adopting the STR regulations this spring or summer. Principal Planner Matt Lafferty says the County anticipates a large number of new permits (possibly as many as 400 outside the Estes Valley), so the regulations will

be phased in to incentivize compliance. For more information contact Matt Lafferty (970) 498-7721 or mlafferty@larimer.org

Berthoud

Trustees Approve Plat for Harvest Ridge: Berthoud is continuing to add more residential rooftops. Formerly known as Arbor Ridge, Harvest Ridge was annexed into Berthoud last year. The property is located west of Larimer County Road 17 (Berthoud Parkway) and south of Ludlow Farms and totals 39.25 acres.

The new proposal would consist of 30 single-family estate lots on 13 acres. The lots will vary in size from 1/4 to 1/3 acre. The rest of the property will be developed in a future phase. The Board of Trustees approved the plat, with minor additions including a trail connection and aesthetic changes related to a fence bordering the property. A plat map, also known as a "plat," shows how a tract of land is divided into lots. It is drawn to scale and shows the land's size, boundary locations, nearby streets, flood zones, and any easements or rights of way.

Group Attempts Recall: A group of citizens in Estes Park began a signature drive in February in an attempt to force a recall election for Mayor Todd Jirsa and Mayor Pro Tem Cody Walker. The group is angry about the approval of the "mountain coaster" in a rural residential zone last year. That approval was made possible by a 2017 zoning code change. The code revision had the unintended consequence of making commercial activities permissible in areas beyond the downtown core. According to the Coloradoan, the Estes Park Recall Group (EPRG) says, the code change "created a negative impact on property rights in all residential zones."

The group claims the public has lost confidence in Jirsa and Walker, prompting the recall effort. EPRG has one more week to gather enough valid signatures to force a recall election.

In the meantime, the Estes Park Board of Trustees will consider an amendment to rectify the zoning snafu. The amendment will clarify that commercial businesses are not legal in residential areas without a change in zoning.

Loveland

City Receives Transportation Funding: According to Public Works Director Mark Jackson, Loveland will receive an additional \$1.34 million for the Highway 34 expansion project and \$3 million for the Taft Avenue/US 34 (Eisenhower) intersection. The funding was approved by the North Front Range Metropolitan Planning Organization, the regional entity which allocates transportation dollars from the federal government. Jackson says the funding will be available July 2021.

COLORADO ASSOCIATION OF REALTORS®

Legislative Update: The long-awaited rent control bill was introduced on April 1. CAR moved quickly to oppose the bill using its Rapid Response Team. This has been a tough session for REALTORS® but fortunately it will end on May 3, 2019.

SB-225 “Concerning the Ability of Local Governments to Stabilize Rents on Private Residential Property” is co-sponsored by Representatives Rochelle Galindo (Greeley) and Jonathan Singer (Longmont) and Senator Mike Foote (Boulder County). CAR Position: OPPOSE

The bill repeals existing statutory language prohibiting counties or municipalities from enacting any ordinance or resolution that would control rent on either private residential property or a private residential housing unit (collectively, private residential property). As such it would allow local governments to implement rent control on private residential property.

CAR’s Rapid Response team moved to SUPPORT two TABOR bills because Speaker Becker presented the concepts on REALTOR® Day and those present were supportive. Voters will have final decision anyway because, if approved, the voters would have to approve them this fall.

HB-1257 “Voter Approval To Retain Revenue For Education & Transportation” and HB-1258 “Allocate Voter-Approved Revenue for Education and Transportation” Beginning with the 2018-19 fiscal year, the State is authorized to annually retain and spend all state revenues in excess of the constitutional (TABOR) limitation on state fiscal year spending that the state would otherwise be required to refund. The bill is a referendum that will be submitted to the voters at the statewide election held on November 5, 2019, and approval of the ballot title at the election constitutes a voter-approved revenue change to the constitutional limitation on state fiscal year spending.

If approved, an amount of money equal to the state revenues retained under this measure is designated as part of the general fund exempt account. The General Assembly is required to appropriate or the state treasurer is required to transfer this money to provide funding for: public schools, higher education and roads, bridges and transit.

HB-1264 “Conservation Easement Tax Credit Modifications” CAR Position: SUPPORT

A conservation easement is an agreement in which a property owner agrees to limit the use of his or her land in perpetuity in order to protect one or more specified conservation purposes. The conservation easement is held by a third party, which monitors the use of the land and ensures that the terms of the agreement are upheld.

The statutes establishing the conservation easement oversight commission and the program to certify conservation easement holders in the division of conservation

are currently set to repeal on July 1, 2019. The bill extends the repeal dates for each to July 1, 2026.

Among other things, the bill would: eliminate a requirement that the board of real estate appraisers establish education and experience requirements for conservation easement appraisers; allow the division of conservation to use an alternative method acceptable to the division and the conservation easement oversight commission to value a conservation easement; and increase the percentage of the value of a conservation easement that may be claimed as an income tax credit and the total amount that may be claimed for the easement, while limiting the amount of credits that may be issued per year.

HB-1260 “Building Energy Codes” CAR Position: NEUTRAL

The LPC expressed concerns regarding remodels and rehabilitation costs. In addition, CAR hopes to add a provision to exempt existing homes.

The bill requires local jurisdictions to adopt one of the three most recent versions of the international energy conservation code at a minimum, upon updating any other building code, and encourages local jurisdictions to update the Colorado energy office on any changes to the jurisdictions' building and energy codes.

HB-1212 “Recreate Homeowners' Association Community Manager Licensing” Modified CAR Position: SUPPORT

STATE

Legislature Funds Transportation: The Colorado General’s leadership agreed to put \$300 million in one-time money in next year’s budget toward transportation needs.

House Democratic leaders announced the deal last week during a day-long hearing on the \$30.5 billion budget proposal for the fiscal year that begins on July 1.

House Democratic leaders announced that they have tasked the six-member Joint Budget Committee (JBC) with finding \$70 million to cut from other departments in the proposed budget, leaving transportation with an even \$300 million next year, likely for shovel-ready projects like I-25 North.

Fix Colorado Roads, a business advocacy group organized by the Northern Colorado Business Alliance (NCLA), lobbied hard for the transportation funding. Legislators agreed that this lobbying effort played a key role in pressuring the legislators to approve the deal.

NATION

FEMA Risk Rating: FEMA is continuing to work towards Risk Rating 2.0. One argument that has persisted amidst the conversation regarding long term reauthorization is “why do I pay more so rich people can live in harm’s way on the

coast and pay less?" RR 2.0 seeks to address that concern by basing rates for NFIP policies on a parcel by parcel basis considering risk and replacement cost; this is a significant update to its risk modeling that at the time (1968) was state of the art.

This new approach to risk ratings has been the subject of a growing number of articles that have started to raise alarms with states due to the new rates not currently being available - rates are expected to be available in Apr. 2020 and will go into effect in Oct 2020. In addition, new rates will be implemented over a number of years as rate increases are capped at 18 percent per year but are on average are only 15 percent.

NAR is actively monitoring and has policy that supports the idea in theory, and this will undoubtedly be a hot topic discussed during the Insurance Sub Committee at Midyear. Below is a link to a CBO report on NFIP from 2017. Check out the county maps on Page 14. It's assumed that, county by county, rates will rise and fall according to that map but early estimates suggest, on average, the majority of policyholders will see a savings.

CBO Report: <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53028-nfipreport2.pdf>

NAR Supports New FHFA Director: NAR recently spearheaded an industry coalition letter to urge the U.S. Senate to confirm Dr. Mark Calabria to be Director of the Federal Housing Finance Agency (FHFA). Dr. Calabria's decades of experience in housing and finance policy, including through his time spent at NAR, has given him an extensive understanding of the critical role the FHFA plays as both the regulator and conservator of Fannie Mae and Freddie Mac. In this position, Dr. Calabria, who was appointed this month, will be responsible for ensuring a reliable, stable, and liquid housing finance system that provides access to affordable mortgage credit for all creditworthy Americans.

Credit Privacy: Late last month NAR's Vice Chair for the Federal Technology Policy Committee presented testimony before the Senate Commerce Subcommittee on Manufacturing, Trade and Consumer Protection for the hearing entitled "Small Business Perspectives on a Federal Data Privacy Framework." She urged the Subcommittee to take into account several key principles and considerations when developing federal privacy legislation. This includes establishing uniform standards for businesses, equal protection for consumers, and direct statutory obligations for all service providers handling consumer data. NAR wants to ensure that any federal legislation on data privacy protects consumers in a nationwide, uniform and consistent way and in a manner that will not impose undue burdens on NAR's small business members.