



HOME BUILDERS  
ASSOCIATION  
of  
METRO DENVER®

# Home Builder Advocate

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## UPCOMING MEETINGS & EVENTS:

**Member Advantage  
Breakfast**  
Thursday, September 22  
8:30 a.m. – 10:00 a.m.  
HBA Education Room  
Contact: Vicki Pelletier,  
[vpelletier@hbadenver.com](mailto:vpelletier@hbadenver.com)

**Broomfield Coordinating  
Committee**  
Friday, September 23  
11:00 a.m. – Noon  
Broomfield City & County  
Bldg., One DesCombes Dr.  
Zang Spur Room  
Contact: Kim Calomino,  
[kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com)

**Government Affairs  
Committee**  
Tuesday, September 27  
3:00 – 4:30 p.m.  
HBA North Conference  
Room  
Contact: Kim Calomino,  
[kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com)

**Denver Issues Committee**  
Wednesday, September 28  
3:00 – 5:00 p.m.  
HBA Board Room  
Contact: Kim Calomino,  
[kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com)

For a list of all HBA  
meetings and events visit  
[www.HBADenver.com](http://www.HBADenver.com)

## NAHB Member Discount Program

Check out the new NAHB Member Discount Program at <http://www.nahb.org/ma>. Save big dollars on services, products, and supplies!

## Temporary Loan Limits Set to Expire

The housing industry advocacy group, [Leading Builders of America](http://www.leadingbuilders.org), has issued an industry call to action regarding the limits for FHA and GSE loans, which were temporarily raised in 2008. The temporary limits are set to expire October 1 unless Congress acts to extend them. According to LBA, "conforming and FHA loan limits will be slashed by over 50% in some markets, dealing a devastating blow to a housing market struggling to recover. And the impact won't be limited to only "high cost" markets. Limits will be reduced in 608 counties which contain 59% of all U.S. households."

LBA has launched a campaign asking industry members to contact their Congressional representatives with a request that they co-sponsor HR 1754, "Preserving Equal Access to Mortgage Finance Programs Act." The bill would permanently increase the conforming loan limits for Freddie Mac and Fannie Mae and the FHA maximum mortgage amount limitations.

According to NAHB, in the past two years FHA insured nearly 30 percent of the single family mortgage market. NAHB has also called upon Congress to support HR 1754. HBA members are strongly encouraged to visit the 'take action' page on the LBA's Protect Housing website at <http://www.capwiz.com/protecthousing/home/> to contact your Congressional representatives. For more information or to comment contact Kim Calomino, [kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com).

## CAHB Seeks Examples of Egregious Construction Defects Lawsuits/Awards

CAHB is preparing to educate legislators and the Governor to proactively defend against potential further damaging construction defects legislation. CAHB is seeking examples of such actions where the builder was denied access to the building to make repairs; the award far exceeded the costs of repairs, or where the award was not used to make repairs. If you can provide information and examples, please contact Amie Mayhew at CAHB, [amie@hbacolorado.com](mailto:amie@hbacolorado.com). Time is of the essence.

## Denver Water Extends, Expands Stub-in "Bail Out" Rule; Prepares to Consider Tap Fee Increases

At their September 14 meeting the Denver Water Board approved changes to the Stub-in Bail Out rule. The rule, originally approved in February, 2009, allowed builders who had purchased stub-ins between January 1, 2004, and December 31, 2008, an extension through December 31, 2011 to complete the activation process, thus avoiding the loss of their stub-in deposits during the extremely slow market. Because many stub-ins remain unconverted, the HBA and others requested that the rule be amended, further extending the timeline. The rule as changed by the Board expands the Bail Out time frame to stub-ins purchased between January 1, 2004 and December 31, 2011, and allows the builder until December 31, 2013 to convert without forfeiting the deposit. Stub-ins purchased after December 31, 2011 will have the normal 2 years after the purchase date to convert. The HBA has requested that the Board also consider an additional rule change that would allow a standard three years for conversion without forfeiture of deposit. The Board has agreed to consider that request in the future.

The Board also heard staff recommendations for proposed increases in system development charges (SDCs) for 2012. Two alternatives were proposed, one increasing SDCs by 3.4% and one increasing SDCs by 8.4%. The factor the Board will consider between the two proposals is by how much Denver Water should increase its water rights valuation. The HBA, in arguing for the lowest possible increase, has reminded the Board that the housing market continues to struggle; that previous policy direction on increasing water rights valuation has been to take predictable, incremental and steady steps; and that all

#### CITY GOV'T LINKS:

City of Aurora Council  
Agenda Link:

[www.auroragov.org/auroragov/government/city\\_council/meetings\\_agendas\\_and\\_minutes/index.htm](http://www.auroragov.org/auroragov/government/city_council/meetings_agendas_and_minutes/index.htm)

City /County of Denver  
Council Agenda Link:

[www.denvergov.org/default.aspx?alias=www.denvergov.org/citycouncil](http://www.denvergov.org/default.aspx?alias=www.denvergov.org/citycouncil)

Great Meeting Space  
Available at the HBA:

Members always receive a  
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For a copy of the HBA  
Facility Rental Agreement or  
for more information contact  
Toby Paioff at

[tpaioff@hbadenver.com](mailto:tpaioff@hbadenver.com)

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If you are not an HBA  
member but would like to  
become one, please  
contact Vicki Pelletier at  
[vpelletier@hbadenver.com](mailto:vpelletier@hbadenver.com)

If you have questions  
about government affairs  
or any advocacy issue,  
please contact Kim  
Calomino,

[kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com)

If you have questions  
about *Home Builder  
Advocate*, Public Affairs or  
the Metro Housing  
Coalition please contact  
Cherie Talbert,  
[ctalbert@hbadenver.com](mailto:ctalbert@hbadenver.com).

increases in the cost of housing at this time further delay market and economic recovery. Also of concern is the objection recently raised by Denver Water's distributors to the continuation of the 14% differential in rates and fees between inside and outside city customers. The Board is set to determine 2012 SDCs at its October 12 meeting. For more information or to comment please contact Kim Calomino, [kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com).

#### Help Prevent the Passage of Denver Initiative 300

The ramifications of Denver Initiative 300 on the housing industry and all business, particularly small businesses, will be costly. The impacts would be felt by businesses that have employees working in Denver, regardless of the physical location of the business itself. HBA members are strongly encouraged to visit [KeepDenverCompetitive.com](http://KeepDenverCompetitive.com) to learn more, join the opposition campaign and contribute. Even small contributions add up. You are also encouraged to discuss the Initiative with your employees, colleagues, friends and family to help educate as many voters as possible on why Initiative 300 may *sound* like a good idea but is in fact the worst possible solution and the worst possible time. For more information or to comment please contact Kim Calomino, [kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com).

#### Castle Rock Impact and Development Fee Changes Adopted, Effective Immediately

At their September 13 meeting Castle Rock Town Council approved changes to impact, utility and development fees resulting in significantly lower net fees for residential development.

Our special thanks to the several members who worked diligently on this issue for over a year. HBA members serving on the Town stakeholder group included Matt Janke, Meritage Homes; Jeff McGovern, Lennar Homes and Jim Riley, Castle Rock Development. Others serving on the HBA Castle Rock Task Force included Bruff Shea, Newland Development; Jim Folkestad, Folkestad Fazakas PC; Kurt Lang, Phelps Engineering; Bruce Rau, Oakwood Homes and Jeff Qualteri, DR Horton. The support of these members provided HBA staffers Kim Calomino and Cherie Talbert was invaluable. For a copy of the new fee schedule contact Kim Calomino, [kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com).

#### HBA Engages New Contract Lobbying Services

We are pleased to announce that the HBA has retained Steve Ormiston, SCO Consulting, LLC, as the new HBA contract lobbyist. Steve is a government relations professional in the community development and home building arena with a long and successful history in the Denver area, including work for Shea Homes. Steve has served in the past on the HBA government affairs committee as well as CAHB's government affairs committee, on which he will continue to serve. We are greatly looking forward to working with Steve in a continuation of our successful advocacy efforts. For more information contact Kim Calomino, [kcalomino@hbadenver.com](mailto:kcalomino@hbadenver.com) or Cherie Talbert, [ctalbert@hbadenver.com](mailto:ctalbert@hbadenver.com).

#### Updates from CAHB

The *Division of Housing* has launched a blog, the Housing News Digest. Updated several times a week, the blog includes news and economics reports about the state of Colorado's housing climate, as well as information about grants that may be available for economic development. View the blog as well as sign up for a twice weekly email update of postings and new data releases at [www.divisionofhousing.com](http://www.divisionofhousing.com).

The *Colorado Division of Real Estate* is considering two new rules that could impact members with conservation easements or conservation easement tax credits. The first rule, which will be considered at a rulemaking hearing on October 24, seeks to prevent a non-certified organization from holding a transferred conservation easement for which a tax credit is claimed. The second proposed rule appears to make technical changes to conform to the statute changes made during the 2011 legislative session. CAHB recommends that members who have conservation easements that are exempt from the provision of HB 1353 (as delineated in 12-61-720(12)) contact their attorneys to review the proposed rules.

It's not too late to sign up for the Rocky Mountain Builder Conference, October 5 – 8 in Beaver Creek. Visit [www.builderconference.com](http://www.builderconference.com) today. For more information contact Amie Mayhew, [amie@hbacolorado.com](mailto:amie@hbacolorado.com).