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HOME BUILDERS
ASSOCIATION
of
METRO DENVER®

April 11, 2022

City of Aurora, Red Tape Reduction Committee
Council Member Dustin Zvonek, Chair
City Council Committee Members
15151 E. Alameda Parkway
Aurora, CO 80012

Dear Council Members:

In February, the Home Builders Association of Metro Denver was invited by the Red Tape Reduction Ad Hoc Committee to provide comments on proactive steps the City of Aurora could take to help support the long-term vitality of the residential construction industry.

As the largest HBA in Colorado, the HBA of Metro Denver represents over 500 homebuilders, developers, remodelers, architects, mortgage lenders, title companies, subcontractors, suppliers and service providers in the eight metro-area counties we serve.

In Aurora, HBA Metro Denver represents 19 different active builders with over 155 registered permits so far this year and over 2200 permits registered in 2021.

First, we would like to express our sincere appreciation to the members of this committee and the full Council for making the home building and development process in Aurora a priority. As you are undoubtedly aware, significant time, energy and capital is always expended in our industry long before ground is broken, a foundation is poured, or a home is built within a new development. Your invitation on behalf of the City of Aurora, to work collaboratively together to improve the City's business environment is admirable and we look forward to doing our part toward continuing to make Aurora one of the best places in Colorado to build a home.

To fully represent all of our active builders in the City of Aurora in this process, the HBA of Metro Denver organized a meeting with our membership in February to get a better understanding of the challenges they are currently experiencing in getting projects through the development process in Aurora. Collectively, all of our active builders highlighted the need to better streamline the planning and review process, provide better predictability and consistency in the application of rules and guidelines, and better uniformity of design standards as high priorities.

Because the Red Tape Reduction Committee has divided its' fields of inquiry into the three areas of rules/regulations, taxes/fees, and municipal process, we decided to separate our comments into these three topics areas as well.

Below are the specific requests that have been identified and deemed as priorities by our membership:

Rules & Regulations

- **Drainage Requirements**
 - The City should consider rethinking cross pan drainage criteria. Currently the City does not allow storm sewers to be constructed within a certain proximity. However, removing cross pans where one should be located, creates additional maintenance, drainage, and pedestrian safety issues in an intersection design. It also adds additional and unnecessary costs to develop projects by adding unnecessary inlets and storm sewers. Unfortunately to date, the City has been unwilling to accept variances based on sound engineering data and practical justification for doing so. We believe some flexibility in this requirement to allow for variances, would go a long way to reducing needless red tape and unnecessary costs.

- **Sediment Basin Requirements**
 - The design and installation of sediment basins are causing a real impact on future development. The installation of sed basins can run over \$300,000 in cost. While cost is a concern, the larger issue is the impact the temporary sediment basin requirement is having on construction timing. If a worksite does not have the requisite space to allow for the replacement of a sediment basin in adjacent open areas, they are required to be placed directly on construction sites. This has created a number of challenges for builders who have to find alternative place to store the dirt needed to backfill the sed basins after they are no longer needed. It also requires them to remobilize a grading contractor to re-excavate the saturated soil at the bottom of the sed basin and then re-fill the entire area before a Geotech can obtain a sample for a soils and foundation report. Also, because sed basins are required to stay in place until the roads are paved, builders are experiencing substantial delays of 8-10 weeks after paving to obtain a soils and foundation report. Substantial delays are also created through the inability to install dry utilities in those lots. The costs associated with this requirement easily adds and additional \$2,200 to the price of a home. When factoring in all of the homes within a specific development, this requirement will end up costing millions of dollars to the future residents in developments like the Aurora Highlands.

- **Uniform Development Code (UDO) Challenges**

SECTION 4.5.3.B-LOCAL DESTINATIONS: "...each lot may be accessed by travelling over no more than two (2) local streets after departing from the grid of arterial, collector, and collector streets..."

 - This requirement has been a challenge for our builders to comply with and many adjustments have been requested. The intent of the requirement is to assist in wayfinding within a community, but the result is a very gridded neighborhood pattern which is not always preferred due to the configuration of the land, topography, or design intent. In

addition, this requirement encourages cut-through streets which leads to increased driving speeds within the neighborhoods. We request that the City consider different street names within a community. One major issue with wayfinding is that there are multiple streets within a community with the same name but one is “Street”, another “Drive” or “Lane”, etc. If the preference is to keep a variation of this standard, then please increase to three (3) local streets with an allowance for up to four (4) as necessary.

- **Street Lighting Requirements**

- The City drafted regulations several years ago that were never formerly adopted but still require developers to follow them. These regulations require a significant amount of additional street light fixtures that are making residential neighborhoods to bright and have been a source of complaints by residents. For example, 250 lot neighborhoods that previously required 27 lights under the old standard now require 86 lights. While the City has stated that they hired a consultant last year to review the new regulations and come up with a revised regulation, nothing has yet been amended or changed. It should be noted that this requirement was implemented without any input from the building community.

Taxes & Fees

- **Temporary Certificate of Occupancy Fee (TCO)**

- A fee of \$850.00 is charged for a TCO. If the TCO is converted to a CO by the expiration date, a refund of \$650.00 (for residential) \$500.00 (for commercial) will be returned to the contractor listed on the permit. For the extension of a TCO, there is a non-refundable fee of \$550.00. We would like to see the non-refundable portion of this fee eliminated or the entirety of the TCO fee refundable, including the extension. Another option could be to eliminate the expiration date. If a TCO is pulled and the terms of the TCO aren't satisfied by a specific deadline, the deposit is forfeited.

Municipal Processes

- **Linear Planning and Review Process**

- The City should commit to a planning and review policy that limits the ability to change design standards, details or code requirements mid-review. Too often, builders submit initial plans and get through the initial stages of the review process only to receive further revisions during later stages that should have been addressed earlier in the process. Also, revisions should only be applied to new submittals, not submittals currently under review. Prioritizing a linear planning and review process would save builders and City staff countless hours and millions of dollars in needless delays.

- **Entitlement/Submittal Process**

- Among our membership, there is a perceived inconsistency between City departments in how the order of operations are handled between drainage reports/site plans (preliminary plats), and CDs. Builders have experienced contradictions between submitting final site plans concurrently with CDs and having to update site plans to match the final CDs. This inconsistency has created unnecessary delays. For example, at Aurora Highlands, builders were delayed nearly 6 weeks in submitting CDs due to delays from the City in reviewing the

preliminary drainage report. If the City could commit to formal review periods and perform reviews within specific windows, this would substantially reduce review timelines for builders and City staff and reduce costs.

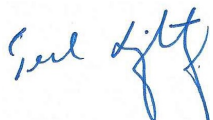
- Pre-application Meetings
 - These meetings are very useful for new projects as they include feedback from all departments, however the lead time for these meetings is 2 months currently. The HBA suggests that simple projects that are part of an ongoing community be allowed to waive the pre-application process. This will free up staff time and allow projects that need a pre-application meeting the opportunity to schedule one sooner.
- Restructuring the review process utilizing the “one bite at the apple” concept
 - The City should consider restructuring the first round of reviews so that it is comprehensive at all staff levels. Subsequent reviews and comments could then be built upon previous submissions to avoid unnecessary and unrelated ‘new’ review comments.
 - Communication between review staff also needs to be better streamlined. If staff comments were better coordinated, then unnecessary conflicts and contradictions could be avoided before they are distributed to the applicant. Currently, our builders are receiving inconsistencies in comments received from City staff that then must be resolved - creating additional unnecessary delays. While this request may result in a longer first review, we believe it will ultimately reduce overall approval timeframes substantially.
- Excessive number of reviews: We have many projects with over 6 reviews. This is not efficient for the City or for the applicant. There are many reasons for the excessive number of reviews but a few of the consistent ones are as follows:
 - City continues to give new comments with each review. We suggest that the City be given more time for the initial review to catch all comments and then limit additional comments at subsequent reviews - unless directly related to a plan update or modification.
 - Builders have received conflicting comments between departments then have to spend a significant amount of time determining which comment to respond to.
 - Easements and license agreements tend to be late in the process and cause delays for final approvals. It would be helpful to receive a comprehensive list of all items needed and when they should be submitted to have them all finalized at the same time.
- Staff challenges
 - Our builders consistently express frustration with the number of staff available for review and inspections. They would also like to have staff more accessible to answer questions. Perhaps a central staff person could be assigned to each project who can assist with resolving specific issues to make the planning, review and inspection process more user friendly. Also, regarding accessibility, our builders sited virtual meetings as particularly challenging, especially when there are many people involved. and would like to have an in-person option available to them. Finally, they would like to see more consistency with review teams, so they have an opportunity to work with the same people and develop a relationship and get a better understanding of their expectations.

- Third party reviews
 - The HBA of Metro Denver has brought up the idea of a third-party review process before but would like to utilize this committee to discuss the idea again. Given the large volume of potential residential construction permits the City of Aurora handles each year, it is always difficult to determine the right number of permanent staff necessary to handle current demand. A third-party inspection program would create an opportunity for the City of Aurora to build a “deeper bench” of employees to handle increased workflow without having to increase the number of FTE on the City’s payroll.

We understand the HBA of Metro Denver has underscored many issues in this letter and our suggestions will inevitably raise further questions that will warrant additional conversations. We look forward to formally beginning those discussions when we meet with the full Red Tape Reduction Ad Hoc Committee on April 20th. In the meantime, please do not hesitate to reach out to us if you need further clarification on any of the above items.

Thank you for your time and consideration of our proposals.

Sincerely,



Ted Leighty
Chief Executive Officer
Home Builders Association of Metro Denver

Cc: Jim Twombly, City Manager
Cindy Colip, Director of Public Works
Victor Rachael, Deputy Director of Public Works
Jacob Cox, Manager of Development Assistance