For a better quality of life.



April 27, 2023

City of Aurora Mayor Mike Coffman Members of City Council 15151 E. Alameda Parkway Aurora, CO 80012

Dear Mayor and City Council:

I am writing to share our concerns regarding the City of Aurora's proposed Prairie Dog Relocation ordinance that went before the Planning & Economic Development Committee on March 8th and April 12th of this year.

These comments are being provided on behalf of the Home Builders Association of Metro Denver.

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 developers and builders with over 255 registered permits so far this year and over 2500 permits in the past 12 months.

Based on the information presented at the committee meeting and the draft ordinance included in the agenda packet, it is our understanding that council is considering the mandatory relocation of prairie dogs within City limits. While the revised draft ordinance proposed on April 12th is much improved, a substantial number of our active builders and developers in Aurora have expressed a number of concerns over some remaining provisions in the proposal including:

- The proposed ordinance may be underestimating the difficulties associated with prairie dog relocation. While it is
 presumed that all of these prairie dogs will be relocated to Pueblo State Park, not long ago it was nearly impossible
 for developers to find an accepting jurisdiction. Since the decision to accept prairie dogs is not within a developer's
 control, proper humane relocation and extermination measures need to be properly outlined in the ordinance in a
 manner that does not impede future development.
- The prohibition on the relocation (or "humane extermination") between April 1 and June 1 comes at a pivotal time in the construction calendar and will cause significant delays that will inevitably drive-up costs.
- It appears that Section (d) requires that an applicant wait until <u>after</u> approval of a development application to start the "humane relocation" process. A developer should be able to start the humane relocation "clock" (and any timelines dependent upon the start of that clock) whenever it desires if it helps to facilitate timely development.
- It does not appear that an implementation date is present on the draft ordinance. Since permits that are already moving through the review process were never notified during the pre-application timeline that this proposal stipulates, we suggest postponing the implementation date of this ordinance until early next year to prevent any unnecessary delays as we head into the busy construction season.
- Larger residential development projects often happen incrementally over time in several phases. Additional clarity
 in the proposed ordinance that residential development would not be subjected to multiple prairie dog relocations
 at each phase of development is advisable.

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It should be noted that any added delays (unintended or otherwise) associated with the requirements of this proposal will further drive-up costs on new housing in Aurora - especially troubling for residents with moderate incomes. The National Association of Home Builders' latest "Priced-out Estimates" from January 2023 indicate a \$1,000 increase in the cost of a median-priced new home will further price 2,310 Colorado households out of the market.

It is important to note that the potential costs associated with the City's proposed relocation ordinance will be added to a number of other related financial burdens already directly impacting aspiring homeowners. From lumber and concrete, to paint, copper, and gypsum – the primary materials used in homes – building costs are already prohibitively expensive and are projected to remain high for the foreseeable future. Lumber alone, while it has come down from its record high, is still roughly twice as high as it was in April 2020, adding over \$20,000 to the price of an average new single-family home and an additional \$92 in monthly rent. The price of oriented strand board (OSB) has gone up nearly 500%.

Furthermore, housing attainability across the front range has only become more elusive given our recent environment of rising interest rates coupled with rampant inflation. Mortgage rates have increased from 3.1% at the start of the year to 7% today – making it the largest magnitude increase for mortgage costs in decades.

In conclusion, we strongly encourage the Aurora City Council to consider the broad implications of the proposed ordinance and the impact it could have on the future of attainable residential development in the city. While the humane relocation of prairie dogs is a meaningful endeavor, working to solve Colorado's attainable housing crisis and reduce the cost-of-living burdens Aurora residents are experiencing must remain a top priority as well.

Amending the proposed ordinance to provide additional flexibility for humane relocation throughout the year in a manner that it doesn't interfere with key timelines during the construction calendar as well as delaying the implementation date to 2024, would provide meaningful amendments that would help negate the main concerns of the residential development community.

We are available for additional consultation with the city staff, as necessary.

Thank you for your time and consideration of this matter.

Sincerely,

Ted Leighty

Chief Executive Officer

Home Builders Association of Metro Denver

Cc: Jason Batchelor, Interim City Manager

Jeannine Rustad, Planning & Development Services Director

Jacob Cox, Manager of Development Assistance