



## HB23-1190 Affordable Housing Right of First Refusal

Tuesday, February 28, 2023

House Transportation, Housing & Local Government | 1:30 pm LSB A

Testimony: Oppose

Good afternoon, Madam Chair and committee members, my name is Matt Gorenc I am Government Affairs Manager for the Denver Metro Chamber of Commerce and Metro Denver Economic Development Corporation.

I'm here today to express our organizations' opposition to HB23-1190.

The Denver Chamber supports affordable housing. There is no denying that our metro area is experiencing a housing shortage and as such, housing prices have skyrocketed. Delivering more housing to market is imperative to maintaining our economic competitiveness. The Chamber's position on affordable housing is an examination of economics—as supply of a product increases, prices decrease. We need to build more housing units, and we support efforts to do so. If we want more housing, we have to make it easier to build by cutting red tape, streamlining regulations, construction defects reform, and incentivizing development.

There are provisions of this bill that are concerning to the business community. We have a deep respect for property rights, and appreciate the ability of property owners, who took the risk to invest in real estate, to sell at the highest and best terms possible. This bill removes their ability to do so, and would allow local governments to co-opt a highest and best offer and drag along the under contract process for up to 13 months. Under current law, nothing is stopping local governments from competing with private offers to purchase real estate, and this bill would tip the scales and prevent competitive offers from being considered in favor of local governments, who can slow walk the process and would delay affordable housing development when we need it the most.

To build more housing stock, we need to prioritize capital investments in our communities. This bill will complicate developers' ability to acquire land on which to build housing, repelling capital and adding more complexity, which will slow development and exacerbate our state's housing affordability.

We encourage the committee to vote no on this legislation.