



HB23-1255 Regulating Local Housing Growth Restrictions

Wednesday, April 5, 2023

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

Testimony: Support

Good afternoon, Madam Chair and committee members, my name is Matt Gorenc I am here today to represent the Denver Metro Chamber of Commerce and Metro Denver Economic Development Corporation, and our members.

I'm here today to express our support of HB23-1255.

It is well known that Colorado has become an unaffordable place to live, and when this happens, we threaten attracting workforce and retaining top talent in the region. To bring down the cost of housing, we must follow a multi-pronged path, and one tool in the affordability toolbox is eliminating growth caps. If we want more housing, we have to make it easier to build—and put fewer restrictions on what we build and where.

Some municipalities in the state have enacted growth caps, which have proven to raise the prices of real estate within their borders, and at the same time have placed burdens on surrounding communities that do not have these same restrictions. When municipalities limit growth, housing becomes scarcer and prices increase. This in turn creates external pressures on surrounding communities who often bear the brunt of providing services to residents who cannot afford to live where they work, but also do not benefit from the tax base generated by artificially high real estate prices. In turn, there are numerous unintended consequences. Workers who aren't able to live in communities where they work spend more time on the road and less time at home with loved ones, emissions and traffic increase, and overall, the real estate market does not function in a natural or organic fashion with deep disparities in prices, available amenities, and quality of life between neighboring communities.

Colorado is in an acute housing shortage. We need to build about 225,000 more housing units to meet demand. The only way to do so is to lift regulations and streamline the ability of developers to invest and build in our communities. This bill creates more opportunities for this to happen and will make a substantive change in the way our state develops and uses land for its highest and best use.

We encourage the committee to vote yes on this commonsense legislation.