

What is Ballot Initiative #66 all about?



Ballot Initiative #66

What is Proposition #66, and what you need to know before you vote...

April 25, 2018

Ballot initiative #66 will be on your ballot come November. If passed, residential building permits would be capped at 1% growth each year of the current housing stock in 10 counties: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El Paso, Jefferson, Larimer and Weld.

I know some of you may think this is a good thing; we're crowded as it is, traffic is bad, everywhere I look there's construction going on, MY Colorado is getting too busy, etc. These are inherent issues with most mid-size and larger cities around the country, and are a larger issue to fix. Limiting growth isn't the answer.

Why is limiting growth potentially bad for us? New construction dropped off significantly after the last recession, leaving Denver Metro with a large unmet demand. We are just now getting closer to building the number of annual units that we would normally build, and we still have that unmet gap to make up. That is one reason why housing inventory

is so low and prices keep going up; we still have greater overall demand than supply. Limiting new construction growth to 1% at this stage in our recovery would sky-rocket prices. You say “even higher than they are?” Yes, even higher.

Look at cities that already implement this 1% growth cap, such as Boulder and Golden. Have you ever seen anything remotely “affordable” in these areas? Implementing this growth restriction on such a large 10-county area could bring our economy to a halt, especially in counties such as Douglas, Denver and Adams which are already experiencing larger than 1% growth rates.

I’m all about open space, parks, and preserving what makes our state so beautiful. But I also believe that this cap will hurt us if done now, while we’re still playing catch-up from the recession-induced decline in new construction. I think that when our market is back to healthy inventory levels, with normal annual growth, that this may be something to consider. In the meantime, please do your own research so you can make an informed decision at voting time.

*** Numbers to consider:**

From 2000-2007, an average of 23,009 new building permits were issued each year.

In 2008 and 2009, those numbers dropped to 9836 and 4457, respectively.

In 2014, there were 17,138, and there have been small increases every year since.

Projections for 2016-2020 show a demand of over 25,500 per year.

*** Stats from Denver HBA**

If you’re considering buying or selling your home please give us a call and we’ll talk.