

Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

ADVISORY BOARD MINUTES

January 17, 2024 – Wednesday – 12:30 p.m.

MEMBERS PRESENT: Chair - Loren Moreland, Building A, B or C Contractor
Vice Chair - Vince Colarelli, Building A or B Contractor
Christy Riggs, Architect
Jeff Finn, Citizen-at-Large
Chris Freer, Engineer
John Graham, City of Manitou Springs
Dennis Stern, Town of Palmer Lake
Sana Abbott, Town of Monument (*Appeared Virtually*)
Cory Applegate, City of Fountain

MEMBERS ABSENT: Nick Donzello, Town of Green Mountain Falls

RBD STAFF: Roger Lovell, Regional Building Official
Virginia Koultschitzka, Regional Building Attorney
Jay Eenhuis, Deputy Regional Building Official – Plans
John Welton, Deputy Regional Building Official – Inspections
Erin Garcia, Director of Finance
Gina LaCascia, Executive Admin Assistant/Board Secretary

The Advisory Board meeting was conducted in a hybrid forum, allowing Board members, Department staff, and the public to attend in person at the Pikes Peak Regional Development Center, 2880 International Circle, Colorado Springs, Colorado 80910, Room 100-14, or virtually through Microsoft Teams live events. Sufficient and timely access to the public to observe the meeting was made available at: <https://www.pprbd.org/Information/Boards>.

1. CALL TO ORDER: DETERMINATION OF A QUORUM

Chair Loren Moreland called the Advisory Board meeting to order at 12:30 p.m.

Chair Moreland introduced the newest member of the Advisory Board, Cory Applegate, Councilmember with the City of Fountain.

2. ELECTION OF OFFICERS

A motion was made by Jeff Finn to elect Vince Colarelli as the 2024 Chair of the Advisory Board; seconded by Chris Freer; the motion carried unanimously.

A motion was made by Vince Colarelli to elect Jeff Finn as the 2024 Vice Chair of the Advisory Board; seconded by Christy Riggs; the motion carried unanimously.

Notwithstanding the elections, it was determined that Chair Moreland would finish chairing this particular meeting.

3. CONSIDERATION OF THE NOVEMBER 15, 2023 ADVISORY BOARD MINUTES

A motion was made by Vince Colarelli to **APPROVE** the November 15, 2023 Advisory Board Minutes as written; seconded by Dennis Stern; the motion carried unanimously.

4. NEW BUSINESS

a) Colorado Springs Chamber of Commerce & Economic Development Presentation

Dave Dazlich, Vice President of Government Affairs for Colorado Springs Chamber of Commerce and Economic Development Center, attended in person and provided the Advisory Board with a brief update regarding where the 2023 legislative year ended and what the 2024 legislative year looks like. In 2023, the Chamber and EDC joined the coalition against Regulation 28, which they found to be an overbearing regulation coming from the administrative processes of the State that has directly affected buildings of 50,000 feet or greater. There is continued concern with this Regulation as it may be amended. Mr. Dazlich indicated that the city of Denver took this Regulation one step further by enacting more aggressive space requirements with even more aggressive energy requirements. His office continues to monitor the implementation and development of this Regulation.

The Chamber and EDC have also joined the Homeownership Opportunity Alliance, which is a group of industry associations focusing on the problems of construction litigation reform. In that regard, they plan on pushing a bipartisan bill in the 2024 session that would directly address litigation specific to multi-family attached products for the homebuying market. In other words, bringing condos back on the market, and not at a luxury price-point. This would limit the ability to bring class action lawsuits through additional examination of the right to remedy, which is the ability to designate a third-party which would be agreed upon by the builder and the final purchaser to address any claims of defect(s) before a lawsuit can be filed. This will also set minimum requirements before an HOA can file a class action lawsuit. This bill is being sponsored by Senator Rachel Zenzinger from Arvada and Representative Shannon Bird from Westminster, who believe this will be the construction litigation reform effort that will go the farthest. There is confirmation from Senator Paul Lundeen of El Paso County that he would like to push his own construction litigation reform bill as he feels his bill will actually solve the issues and go further. However, the difficulty is that Senator Lundeen is from a party that is significantly in the minority, and there is an industry backed bill moving forward that is a bit more in the middle of differing positions.

House Bill 1073 from Senator Janice Marchman and Senator Julie Gonzales is a resurrection of the Independent Ethics Committee Expansion targeting special districts.

A critical component of the Chamber and EDC is the ability to expand infrastructure as the City grows. In this regard, they are tracking special district for financing and transparency. They are also tracking HB 1008, which deals with wage theft within the construction industry. This bill will make it easier for employees to bring wage theft complaints against employers in the construction industry. They are concerned that this bill may be more politically motivated and may open opportunities for trial lawyers.

House Bill 1014 expands the Colorado Consumer Protection Act, lowering the threshold of evidence required to bring a class action lawsuit and is a variation of a bill from last session that specifically targeted single-family housing in an attempt to bring houses into the construction litigation reform arena.

There are many bills in the draft process that have not been assigned a number yet. Mr. Dazlich indicated there is a bill that will bring accessory dwelling units to local governments as a use-by-right, which would be exempt from local zoning concerns. There is also a transit-oriented community bill that is sponsored by Senator Faith Winter and Senator Steven Woodrow, which arises from the Governor's office. This bill deals with requirements for density within a certain radius; defined as transit hubs, bus stations, and bus stops.

The elements of Senate Bill 213, the Governor's Land Use Bill from 2023, will continue as a separate industry bill because Senator Dylan Roberts has put forward a statement of principles that he would like to see for land use legislation going forward.

In closing, Mr. Dazlich indicated there was a bill drop to start the 2024 session of 140 bills, and they are tracking about 30 of these bills. They are expecting 500 – 600 additional bills to be introduced as the first month of the session moves forward, including emergency bills; property taxes, senior homestead exemption, affordability, and other bills related to density and accessory dwelling units will all be on the menu.

Seth Pruett, the new EDC Director of Economic Development Projects, also attended in person and discussed the projects that EDC won during 2023, and where EDC will concentrate its efforts in 2024. In 2023, EDC implored 123 projects, closing 10 of those projects. These included Boecore and Frontier Technology, Inc., among others. EDC was directly involved in bringing 2.2 thousand jobs to the region and \$1.3 billion in capital investments for the next foreseeable eight years. EDC conducted 113 business retention expansion visits, which involved representing companies and communities in the event there are barriers to overcome and connections to be made with the right resources.

Currently, Mr. Pruett is working on 18 projects with the goal being to increase the percentage of closed projects as well as increasing the pipeline for 2024. Jeff Finn asked what the closing ratio is compared to other communities. Mr. Pruett indicated EDC is about the same as other communities because some projects do not have the capital investment which was previously anticipated.

b) Colorado Sunshine Act Requirement

To be read on the record, except the text in bold which requires the person making the motion to state his/her name, and the same of the person who seconds the motion.

Pursuant to the Colorado Sunshine Act, I, Vince Colarelli, move that the Advisory Board meeting be held on the third Wednesday of each month beginning at 12:30 p.m. in a hybrid forum: in person at the Pikes Peak Regional Development Center, 2880 International Circle, Colorado Springs, Colorado 80910, Room 100-14, and virtually via a program accessible via Pikes Peak Regional Building Department's website Boards & Committee's page, that the Advisory Board meeting Agendas and Minutes for each meeting be posted on the website of Pikes Peak Regional Building Department at www.pprbd.org, and that the meeting Agendas and Minutes be maintained by the Executive Administrative Assistant in the records of Pikes Peak Regional Building Department. Further, the Department designates the following public place within the boundaries of the Department at which it may post a notice no less than twenty-four hours prior to a meeting if it is unable to post a notice online in exigent or emergency circumstances such as a power outage or an interruption in internet service that prevents the public from accessing the notice online: The Department's Public Notice Board located in the atrium of the Department premises; seconded by Christy Riggs; the motion carried unanimously.

5. PUBLIC COMMENTS ON ITEMS NOT SCHEDULED ON THE AGENDA

There were no public comments.

6. CHANGES/POSTPONEMENTS/NOTICE OF NEXT MEETING

The next Advisory Board meeting date and time: Wednesday, February 21, 2024, beginning at 12:30 p.m. The meeting will be conducted in a hybrid forum: in person at the Pikes Peak Regional Development Center, 2880 International Circle, Colorado Springs, Colorado 80910, Room 100-14, and virtually. Sufficient and timely access to the public to observe the meeting will be made available at: <https://www.pprbd.org/Information/Boards>.

7. BUILDING OFFICIAL REPORTS/NON-ACTION ITEMS

a) Financial Statement through December 31, 2023

Erin Garcia presented the Financial Statement for the month of December 2023, stating the operating cash balance ended at \$15,406,066 with a cash as a percentage of budget at 68 percent. The revenue for December was \$1,419,540; year-to-date revenue is down \$524,406, or 2 percent over the same time in 2022. Expenditures for the month of December were \$1,534,235; year-to-date expenses were down \$1,443,705, or 7 percent over the same time period in 2022.

At the start of 2023, revenue was a little sluggish and in April, 2023, the revenue was down 24 percent over 2022, thus leaving the revenue at the end of 2023 down by 2 percent. The net loss for December was \$114,695, bringing the year-to-date net income to \$1,609,036.

b) Building Report through December 31, 2023

Jay Eenhuis presented the Building Report through the end of 2023. In 2023, 2,259 permits were issued for single-family homes, a decrease of 26.42 percent compared to 2022. In addition, permits were issued for 120 duplexes and 286 townhouses, for a total of 2,665 single-family permits, a decrease of 26.10 percent compared to 2022. The total valuation for these projects was \$1,203,418,597, which was down approximately 13 percent compared to 2022.

There were 408 new commercial building permits issued in all of 2023, down 25 percent compared to 2022. The total valuation of all projects in 2023 was \$3,512,998,306, a decrease of 21.58 percent from the approximate \$4.5 billion total valuation in 2022.

Mr. Eenhuis stated that in December 2023, there were 6 projects within the jurisdictions with valuations over \$3,000,000. So far, in 2024, there have been 71 single-family permits, 40 new commercial permits, and 378 commercial alteration permits issued, for a total of 3,013 permits issued to start the year.

c) Plan Report through December 31, 2023

Mr. Eenhuis presented the Plan Report through the end of 2023, stating there were 261 single-family plans submitted in December, bringing the total new single-family plans for the entire year of 2023 to 2814, a decrease of 16 percent compared to 2022. New commercial and multi-family plans received for the month of December 2023, was 67, bringing the total to 512 plans for the entire year; an increase of 10 percent compared to 2022. The total number of plans submitted in 2023 was 13,795, a decrease of 9 percent compared to 2022.

The year-to-date electronic submittals for 2023 were as follows: 2,854 commercial plans, which is an increase of one percent over 2022; 6,405 residential plans, is a decrease of 13 percent compared to 2022. The total number of electronic plan submittals in 2023 was 11,082, a decrease of 12 percent over 2022, but accounted for 80 percent of all plan submittals.

Plan Review staff logged 47,020 solo reviews in 2023, a decrease of 16 percent compared to 2022. In addition, 9,856 walk-thru reviews were performed, an increase of 39 percent compared to 2022, resulting in 56,876 total reviews logged, a decrease of 9 percent compared to 2022. Mr. Eenhuis noted that more people are utilizing the walk-thru counter for smaller residential plans, while larger projects continue to be submitted electronically for review. 2024 is starting strong with 160 single-family plans and 25 commercial and multi-family plans submitted through January 17, 2024. Currently, the oldest plan in the review que was submitted on January 12, 2024, which means plan review staff is currently approximately 5 days out on review times.

d) Inspection Report through December 31, 2023

John Welton presented the Inspection Report for December 2023. There were 21,297 inspections completed by 65 fulltime field inspectors with an average of 21.7 inspections per day and an average time per inspection of 18.5 minutes, all being completed with 19 work days for the month of December 2023.

Comparing 2023 with 2022, there were a total of 286,524 inspections completed in 2023 with 65 fulltime field inspectors, and 344,720 in 2022 with 71 fulltime field inspectors. The 2023 year finished with 8,868 apartment units still open which will keep the inspectors busy over the coming months.

8. UNFINISHED BUSINESS

There was no Unfinished Business to discuss.

9. EXECUTIVE SESSION REQUEST(S)

There were no Executive Session Request(s).

10. BOARD REPORT(S) OR COMMENT(S)

There were no Board Report(s) or Comment(s).

11. FUTURE AGENDA ITEM REQUESTS

There were no Future Agenda Item Requests.

12. **ADJOURN**

The Advisory Board meeting adjourned at 1:09 p.m.

Respectfully submitted,



Roger N. Lovell
Regional Building Official

RNL/gml

Accommodations for the hearing impaired can be made upon request with forty-eight (48) hours' notice. Please call (719) 327-2989.

Pikes Peak Regional Building Department (PPRBD) meeting agendas and minutes, as well as archived records, are available free of charge on PPRBD's website at <https://www.pprbd.org/Information/Boards>. Audio copies of the record may be purchased by contacting PPRBD at (719) 327-2989.