



**Northern  
Colorado**  
Home Builders Association

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**March 2023**

## Single-Family Starts Sluggish in New Year

Although rising builder sentiment indicates a turning point for housing later this year, lackluster single-family **production in January** is a sign that the housing sector faces further challenges, as elevated mortgage rates and high construction costs continue to put a damper on the market.



Overall housing starts decreased 4.5% to a seasonally adjusted annual rate of 1.31 million units, according to a report from the U.S. Department of Housing and Urban Development and the U.S. Census Bureau.

The January reading of 1.31 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts decreased 4.3% to an 841,000 seasonally adjusted annual rate. The multifamily sector, which includes

apartment buildings and condos, decreased 4.9% to an annualized 468,000 pace.

On a regional basis compared to the previous month, combined single-family and multifamily starts were 42.2% lower in the Northeast, 25.9% lower in the Midwest, 7.3% higher in the South and 5.5% higher in the West.

As an indicator of the economic impact of housing, there are now 752,000 single-family homes under construction. This is 4.8% lower than a year ago. There are currently 948,000 apartments under construction, the highest levels since December 1973, and up 24.2% compared to a year ago (763,000). Total housing units now under construction (single-family and multifamily combined) are 9.5% higher than a year ago.

## NAHB Testifies about WOTUS Rule

The Biden administration's new WOTUS rule is so extreme that the federal government will have the authority to regulate certain roadside ditches, isolated ponds and channels that may only flow after heavy rainfall, NAHB Chairman Alicia Huey said in recent Congressional testimony. [The new rule](#) will go into effect on March 20, 2023, but could be overturned soon, depending on the U.S. Supreme Court's decision in Sackett v. EPA, which is focused on the legality of the regulation's significant nexus test.

## New Wrinkle in Transformer Shortage

NAHB and other groups sent a letter to Energy Sec. Jennifer Granholm to sound the alarm that DOE's recent rulemaking proposal to increase the energy conservation standards for electrical transformers will worsen the current supply shortage.

The rule would dictate that manufacturers increase the efficiency of transformers by a mere tenth of a percentage point. But increasing efficiency by even this nominal amount "could add months to an [already lengthy order cycle.](#)"

## OMB Proposes New Buy-American Rule

In a move that could affect single-family and multifamily affordable housing projects, the Office of Management and Budget (OMB) has proposed new standards to determine if construction materials for federally funded infrastructure projects are [made in the United States.](#)

Construction materials covered by the new guidance, which is required under the Build America, Buy America Act, include lumber, drywall, glass and plastics.

## NAHB Creates Online Mentor Match Program

Knowledge is one of the most valuable assets of any business owner. And much of it can only be gained through real-world experience and collaboration. That's why NAHB recently established the Mentor Match program to further support members' professional development needs. [Mentor Match](#) is a free, online resource exclusively for NAHB members to help them establish mentoring relationships.

## IRS Releases Guidance for Wind, Solar Under LIHTC

The Department of Treasury and Internal Revenue Service released IRS Notice 2023-17, which details a new bonus tax credit for certain low-income multifamily projects, including Low-Income House Tax Credit (LIHTC) projects, that include eligible [solar or wind energy](#) technologies.

Qualifying solar and wind equipment is eligible for a federal tax credit of up to 30% of the cost as part of the Section 48 Investment Tax Credit. Under the Inflation Reduction Act enacted into law last year, Congress established a low-income communities bonus credit program, which allows certain Section 48-eligible projects to receive an additional 10% or 20% credit.

## A note from our HBA Chair, Mike Welty

At the end of January, I attended the International Builder Show in Las Vegas. For those of you who have never attended, the annual International Builder Show is the largest gathering of real estate professionals, business owners and anyone associated with the housing industry. At the show, you can attend a wide range of building specific activities which includes educational tracks (Sales, Construction, Purchasing, Operations, Leadership etc..) and you can also attend live demos or spend hours walking through the expo center which features national and international products from thousands of vendors. The International show is truly the biggest event in housing every year.

In some of the past shows I've attended, I would schedule a few sales, construction and purchasing classes and then focus on networking with a few of our local HBA trade partners to network and synergize our businesses.

In 2023, I had the honor in attending the Area 13 caucus as a representative from the NoCo HBA, which brings representatives from Colorado, Utah, New Mexico, Wyoming and Arizona together. The purpose of the meeting is for state representatives to meet and discuss joint issues within the region and to lobby our national representatives for support of our regional and national housing efforts. Some of the topics on this years agenda included water rights, affordable and attainable housing and energy code adoption throughout the United States.

A healthy housing market is vital to our economy for so many reasons, but to give just a little bit of context, "the combined contribution of the housing industry to the GDP generally averages 15-18%, so advocating for a healthy housing market has a direct correlation to a healthy national economy. Housing contributes to our nations GDP in two ways,"

- **Residential investment** (averaging roughly 3-5% of GDP), which includes construction of new single-family and multifamily structures, residential remodeling, production of manufactured homes, and brokers' fees.
- **Consumption spending on housing services**(averaging roughly 12-13% of GDP), which includes gross rents and utilities paid by renters, as well as owners' imputed rents and utility payments ([www.nahb.org](http://www.nahb.org)).

Overall, the housing market in Northern Colorado has been resilient in 2023 thus far even though rising interest rates have created an affordability issue throughout the United States. As I mentioned in last months message, housing inventory remains low which is propping up the market during the selling season. With all the headwinds that face our industry today, it's more important than ever to get involved on a local, state and national level to ensure that we continue to create reasonable solutions to complex issues. The American dream of homeownership is still worth fighting for.

If you would like to learn how you can get more involved with your Northern Colorado Home Builders Association, you can reach me at [Mikew@Hartfordco.com](mailto:Mikew@Hartfordco.com).

Michael Welty

2023 NoCo HBA Chair



## **Welcome New Members**

**Homeowners Fincancial Group**  
**Limelight Services, LLC**  
**Skylight Specialist, Inc**  
**ProSource of Northern Colorado**  
**Cherlynn Ryk with The Group**  
**Comparion Insurance Agency a Liberty Mutual Company**  
**Spray Foam Genie of Denver**  
**LandOne Engineering**



## **Thank you for Renewing**

**Trumark Homes**  
**Mountain Valley Bank**  
**Renaissance Insurance Group LLC**  
**Bloedorn Lumber**  
**United States Building Supply Inc**  
**Borrman Consulting Inc**  
**L & W Supply**  
**Dryland Stucco**  
**First Advantage Bank**  
**A & M Electric Inc**  
**Specialty Appliance**  
**Fairway Independent Mortgage**  
**BBB - Better Business Bureau**  
**Krista Roberts with FNBO Mortgage**  
**Andrea Alles with C3 Real Estate**  
**Janice Ververs with ReMax Alliance**

## Builders' Show Sees Largest Attendance in More than 10 Years

Nearly 70,000 home building professionals from around the world filled the exhibition halls of the Las Vegas Convention Center as NAHB hosted the [International Builders' Show® \(IBS\)](#), the largest annual light construction show in the world, Jan. 31-Feb. 2.

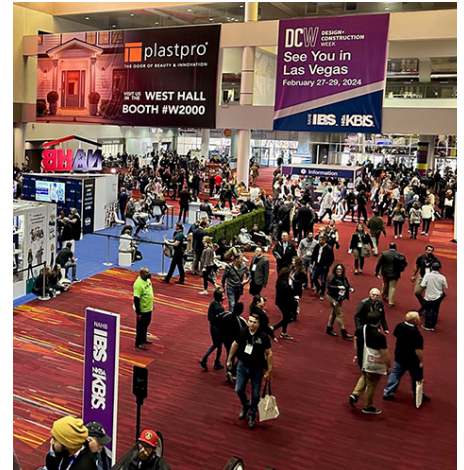
IBS exhibit space totaled more than 600,000 net square feet, where more than 1,300 exhibitors displayed the latest in building products and technology.

This year also marked the 10th anniversary of Design & Construction Week® (DCW), the co-location of IBS and the National Kitchen & Bath Association's (NKBA's) Kitchen & Bath Industry Show (KBIS). DCW drew nearly 110,000 attendees and nearly 2,000

exhibitors occupying more than one million square feet of indoor and outdoor exhibits.

IBS attendees also took advantage of more than 100 education sessions led by experts on a wide range of industry topics.

Next year, IBS and DCW will return to Las Vegas Feb. 27-29, 2024.



## Remodelers Hall of Fame Inductees

NAHB Remodelers recently inducted Vince Butler, CAPS, GMB, GMR, a remodeler from Clifton, Va., and Tim Faller, a remodeler from Linthicum, Md., into the [National Remodeling Hall of Fame](#).

Butler has led Butler Brothers Corporation as president since 1984. He was chair of NAHB Remodelers in 2006 and is a past president of the Northern Virginia Building Industry Association.

Faller is the Senior Consultant and Master of Production for Remodelers Advantage Inc. His insights have influenced many around the world through personal consulting, books, and his popular podcast, The Tim Faller Show.

## Top States for NGBS Certification

Builders across the United States are continually adding to the pipeline of projects certified to the National Green Building Standard (NGBS), with more than 400,000 homes [built to the standard](#) since its launch in 2009.

Overall, since the inception of NGBS, the top 10 states for both multifamily and single-family certifications combined are:

1. Texas
2. Florida
3. North Carolina
4. Georgia
5. Virginia
6. Maryland
7. Colorado
8. Indiana
9. South Carolina
10. Tennessee

The NGBS provides builders with a national standard to define sustainable projects.

## A message from our Executive Officer, Kelly Schramm

You have heard that NoCo HBA supports the home building industry through advocacy, but what does that mean? One way we provide advocacy is through your local Government Affairs Committee (GAC) who's primary purpose is to work at the local and state level to develop and implement strategies that address both local and legislative issues that impact the home building industry and private property rights. We do this by listening to what you, our members, have to say and by identifying and supporting elected officials who's interests align with the home building industry. Another way we advocate for the home building industry is by appointing local, NoCo HBA Members, to serve on the Colorado Association of Home Builders (CAHB) - Government Affairs Committee.

Our representatives work with the CAHB to monitor and take action on proposed legislation and other issues that affect our industry. Together, with HBA representatives from around the State, we determine if it is in our best interest to monitor, support, amend, or oppose legislation. Legislation like: HB 1118 – Fair Work Week; HB 1120 – Eviction Protection; HB 1134 – Electric Options in Home Warranties; SB 110 – Transparency for Metro Districts; and HB 1075 – Evacuation modeling requirement for development; to name a few. Currently, we are rallying support from our allies to educate our state's leaders about the impact of passing such legislation.

Recently, we have been sharing information with our members on energy codes that are being proposed by the Colorado Energy Code Board. These codes cover electrical vehicle charging (EV) readiness and Solar Readiness. It is imperative that you know what is being proposed and that you provide your feedback. Without your input our elected officials only receive part of the story and cannot make sound and informed decisions.

Please step up and help us **take action!** You can do so by volunteering to serve on the NoCo HBA Government Affairs Committee or the local Builders Council. You can also take action by reading through the energy code proposals by visiting: [Energy Code Board | Colorado Energy Office](#), and by providing your feedback by visiting [Energy Code Board Public Comment & Code Proposal Form \(google.com\)](#), or by visiting the [EV-Ready Code Review Survey that is linked here](#).

Together, as members of the NoCo HBA, the CAHB and the NAHB we can stand strong! Ensuring that our industry is supported and that we can continue to provide housing, jobs and a future for our Nation.

Sincerely,

*Kelly D. Schramm*

Executive Officer

# Industry Award Winners Announced During IBS

Many of NAHB's most coveted awards were announced during the recent International Builders' Show® in Las Vegas. These include BALA, The Nationals and other award programs that recognize the industry's best.

More than 140 single-family, multifamily, interior design, remodeling and community projects were honored at the 2022 **Best in American Living™ Awards** (BALA) ceremony during IBS. The awards are sponsored by Monogram, and the media partner is Professional Builder.

During the National Sales and Marketing Awards gala ("**The Nationals<sup>SM</sup>**"), NAHB honored outstanding residential real estate sales, marketing and design, 55+ housing projects, individual achievement and global excellence. The Nationals: powered by Wells

Fargo Home Mortgage.

NAHB also recognized the best in craftsmanship, innovation and excellence in remodeling at the **NAHB Remodeling Awards**, sponsored by Ferguson Bath, Kitchen & Lighting Gallery.



Other awards announced during IBS: **SAFE**. The 17th annual NAHB/Builders Mutual Insurance Company **Safety Award for Excellence** (SAFE).

**Best of IBS™**. The 10th annual **Best of IBS™** Awards, including Best in Show.



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NAHB  
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Members Save Millions  
Start saving at [nahb.org/savings](http://nahb.org/savings)

# NoCo HBA Home & Remodeling Show



The NoCo HBA Home & Remodeling Show is scheduled for May 12-14 at The Ranch Complex in Loveland. Please visit our website for details and to reserve your booth today! There are also opportunities available to sponsor this event. Information on these sponsorships are available on our website.

To reserve a booth and/or sponsor this event, please go online to [NoCo HBA](#) or call the HBA Office at 970.686.2798.

## Discounted Headshot Day!

**BOXWOOD PHOTOS**

**NoCo hba Northern Colorado**

### Discounted HEADSHOT DAY

The Home Builders Association is proud to sponsor a Discounted Headshot Day for all of it's partners and affiliates.

**50% OFF!**  
Price reduced from \$150 each, to only \$75

Use the email link to select your timeslot

**HEADSHOTS:**

- 10 Minute Time slots
- 2 Professionally edited Photos

**DATE:**  
Saturday **March 11**,  
10am to 2pm

**LOCATION:**  
517 N Link Ln, Unit A  
Fort Collins, 80524

**FOR MORE INFO:**  
For More Info call the NoCo HBA office at 970-686-2798

## NOCO HBA FOUNDATION

### 2023 BUILDING THE FUTURE SCHOLARSHIP

This award\* supports a continuing student or a student graduating from a Northern Colorado high school, desiring post-secondary education in any aspect of the construction industry. The winning candidate(s) will demonstrate a good work ethic, strong interest in pursuing a career in building, construction management, or design, and a willingness to learn.

\*One or more scholarships in the amount of \$2,500 will be awarded and will be paid directly to the school of a recipient's choice, upon confirmation of the recipient's full time enrollment.



#### CONTACT US:

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# WOMEN IN CONSTRUCTION MANAGEMENT summer institute

June 6-10 2023



**CONSTRUCTION  
MANAGEMENT**  
COLORADO STATE UNIVERSITY

Construction Managers take the designer's vision and make it a reality. With one of the highest job placement rates and starting salaries of any major, a degree in CM is a great choice for young women who enjoy teamwork, solving tangible problems, critical thinking, and creating the world around them. In this Institute we will develop confidence and explore opportunities in construction through classes, tours, & hands-on activities.

**Breaking down stereotypes  
and building confidence**



- **15 to 18 year-olds**
- Tour a construction site & demo construction equipment
- Build your own projects to take home
- Explore your inner strengths and confidence
- Network with successful women in the industry
- Learn about career opportunities in the construction industry
- Stay 4 nights in CSU residence halls with college student mentors
- \$25 fee (over \$1000 value thanks to grants); *Fee waived for Alliance Partners*

**Application Opens: Feb. 1**  
**Priority Deadline: Mar. 15**  
Access testimonials, videos,  
and the application here:



RAM  BUILT

The 2023 Women in Construction Management Summer Institute application is now open. Deadline to apply is March 15th. Please help spread the word about this opportunity to any high school girls age 15-18 with an interest in Engineering, Design or Construction. It is a fantastic opportunity for young women to learn and explore and grow their self-esteem and confidence while having an amazing time with others with similar interests.

Space is limited. Application accessible through QR code on flyer.