

Good afternoon Madame Chairwoman and members of the Committee. I am Lakewood Mayor Bob Murphy, and today I am testifying in support of Senate Bill 52.

I want to thank Senator Scheffel for sponsoring this important piece of legislation. It is much needed for communities like Lakewood to help us address our city's housing and transit needs.

The city of Lakewood was fortunate to be on the first corridor for RTD's FasTracks project. As part of this opportunity, Lakewood has embraced FasTracks, making millions of dollars of our own public investments in stations and support facilities while working to encourage economic development and private business growth along the corridor.

Lakewood also is committed to supporting transit-oriented developments along the corridor. As you know, transit-oriented developments, or TODs for short, are mixed-use developments that combine apartments and townhomes with offices and retail—often next to light-rail stations. TODs allow people to live and work in the same neighborhood. They create urban hubs, putting riders right at the station and bringing shoppers to stores and restaurants. That's precisely the vision Lakewood is working toward.

Unfortunately, TODs face significant challenges in Colorado. Despite a rebounding real estate market, affordable housing is becoming scarce. And I believe that shortage is nearing dangerous levels—particularly in the metro area, and in Lakewood.

As of April 12, 2013, seven multi-family residential projects are either under construction or under review along the corridor. They total hundreds of units, and not a single one of them is owner-occupied.

Belmar, Lakewood's new downtown, was built on the site of a dying shopping mall and is widely regarded as an international model for suburban re-development. A critical component has been the presence of owner-occupied multi-family housing with the accompanying sense of permanence and community. I can categorically state that Belmar simply could not have been built in this current 2013 environment.

Since 2007 the percentage of **owner-occupied, multi-family units** built in the metro area has declined from 25 percent of all units built—to just 2 percent. The effect has been to drastically limit the most affordable kinds of housing and to deny those interested in easy access to mass transit the opportunity of owning units within walking distance of light-rail stations.

As I work to encourage development along Lakewood's section of the FasTracks corridor, developers tell me that the legal risks posed by current Colorado law make it difficult for them to build a transit-oriented residential community. They often reflect that there are two types of multi-family developments in Colorado: Those that have been or are being sued for alleged construction defects, and those that will be sued.

Simply put, there's just too much risk involved in building a TOD in Colorado. And that has to change.

Passage of Senate Bill 52 would send a clear signal that future development of affordable, multi-family housing products is once again wanted in Colorado. Passage will breathe new life into TODs and expand metro Denver's housing market, transit developments and economy.

Most importantly, Senate Bill 52 will help communities like Lakewood achieve their visions for the FasTracks corridors while addressing our future housing and development needs.

So I ask each of the committee members, please support Senate Bill 52.

Thank you.