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HOME BUILDERS ASSOCIATION of METRO DENVER®

October 15, 2025

Commerce City
Mayor Stephen Douglas
Members of City Council
7887 East 60th Avenue
Commerce City, CO 80022

Dear Mayor Douglas and Members of City Council:

On behalf of our active builders and developers in Commerce City, the HBA is writing in support of the proposed amendment to the residential sprinkler requirements previously adopted through the 2021 International Residential Building Code (IRC) in 2023.

These comments are being provided by the Home Builders Association of Metro Denver on behalf of our active builders and developers in Commerce City.

The HBA of Metro Denver represents over 550 homebuilders, developers, remodelers, architects, mortgage lenders, title companies, subcontractors, suppliers, and service providers in the eight metro-area counties we serve. In Commerce City, HBA Metro Denver represents numerous builders and developers that are currently active with over 125 registered permits so far this year.

The HBA of Metro Denver ("HBA") strongly recommends that Commerce City amend out the current residential fire sprinkler requirement for single family homes and duplexes from the 2021 IRC and making the mandate optional.

The requirement to add residential sprinkler systems has significantly impacted housing attainability in Commerce City, pricing more aspiring homeowners out of the market. These systems are quoted to cost over $4.50 per square foot, adding over $15,000 to the price of an average new home once design, overhead and administrative costs are factored into the price.

Homebuilders and buyers must also consider additional expenses such as increased costs for architectural drawings—estimated at an extra $1 per square foot, totaling more than $2,500 per home—potential delays in the permitting process, and ongoing costs for annual sprinkler system testing, which homeowners are responsible for conducting.

Please see the additional reasons that we are in favor of amending out residential fire sprinkler requirements in single family and duplex units from the IRC building code:

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- The vast majority of Front Range municipalities and counties have continued to amend the residential sprinkler requirements out of their updated codes. Nationally, 46 states have completely removed the sprinkler requirements for one- and two-family homes and two states have limited the requirement based on home size and height. Only California and Maryland have left the model code sprinkler mandate in place.
- The number of home fires and fire deaths continue to decline as more new housing stock is constructed since new homes are built requiring superior safety code standards.
- Townhomes are generally constructed with a two-hour fire separation. A shaft wall system not only provides a sound buffer but provides a two-hour firewall. This mitigates concerns about fires to the adjacent units.
- The effectiveness of smoke alarms cannot be underestimated, reducing the number of fires and fatalities by 50 percent since 1980 and this figure continues to go down as smoke detector technology advances – like hardwired, interconnected smoke alarms now required in all new homes.
- Fire sprinklers can discharge unintentionally causing extensive damage - According to NFPA's 2021 "U.S. Experience with Sprinklers" fire departments in the U.S. responded to an estimated average of 4,700 non-fire activations of home fire sprinklers per year caused by a system failure or malfunction and 5,400 unintentional sprinkler activations per year.
- Insurance rebates do not balance costs – The HBA has consulted The Rocky Mountain Insurance Association and the Insurance Information Institute (the primary US insurance data organization) and both were unaware of any insurance discounts or premium reductions for the installation of sprinkler systems in residential dwellings.
- Labor is already a huge challenge in the residential construction industry. Adding additional labor will further increase costs with an additional multiplier effect.

The HBA acknowledges that some Front Range municipalities have considered residential fire sprinkler requirements in response to the Marshall Fire. However, it is important to note that these systems are not designed to protect homes from wildfires. The State of California has been mandating sprinklers in single family homes since 2011, and it is very likely that the devastation caused by the Palisades fire in Los Angeles earlier this year included many homes with internal fire suppression systems.

While wildfire mitigation efforts are crucial, mandating expensive sprinkler systems will not address the primary threats posed by wildfires and will instead place an additional financial burden on homebuyers. However, consumers wishing to purchase a sprinkler system are not precluded from doing so, and those who would like to purchase one for their home can always make this request before or after their home is built.

As all of you are acutely aware, housing attainability across the front range has only become more elusive given our recent environment of rising interest rates coupled with rampant inflation. Mortgage rates have increased from 3.1% just a few years ago to nearly 6.8% today – making it the largest magnitude increase for mortgage costs in decades. Current price inflation is now widely expected to be further exacerbated by new international tariffs on construction materials to build a home. According to NAHB, the cumulative impact of tariffs on building costs will add an additional $10,900 to the price of a single-family home in 2025.

It is important to recognize that the fire sprinkler requirements on new homeowners is just one of several new fees and mandates imposed by Commerce City since 2023. Over the past two years, Commerce City has implemented substantial increases to its Public Parks and Recreation Fee, Drainage Fee, and Road Impact Fee. The City has also implemented a series of new fees for public safety, general government, and public works.

Collectively, these new and existing fee increases have added $20,722.09 to the cost of building a home - an over a 400% increase. Like tariffs at the national level, these additional fee increases levied by the City are being passed on to existing renters and future residents who wish to call Commerce City home. These fees have exacerbated housing affordability challenges at a time when builders are struggling to remain profitable and provide attainable housing options. Repealing the current fire sprinkler requirement would be a meaningful step in helping to reduce the cost burden on these residents.

In the fourth quarter of 2024, a family earning the nation's median income of $97,800 needed 38% of its income to cover the mortgage payment on a median-priced new home. Low-income families, defined as those earning only 50% of the median income, would have to spend 76% of their earnings to pay for the same new home. Source: NAHB/Wells Fargo Cost of Housing Index (CHI).

According to NAHB, for every $1,000 increase in price, an additional 2,373 households are priced out of the market in the State of Colorado.

Please see the attached HBA Housing Fact Sheets for more detail on Commerce City's housing costs.

Families who cannot qualify to purchase homes due to the increased costs from well-meaning, but expensive fire sprinkler systems will remain in housing that is more hazardous, because it's built to less stringent code requirements. These older homes can have outdated appliances, space heaters, faulty wiring, or other characteristics that might lead to a greater risk of a fire starting, or a lack of smoke alarms and egress windows installed to today's codes which increase the chances of dying in a fire.

Given the precarious environment that the residential construction industry finds itself, as well as the considerable financial challenges currently being confronted by thousands of Commerce City residents – a thoughtful code amendment making fire sprinklers optional for new homes will allow aspiring homeowners to decide for themselves whether makes sense for their family's circumstances.

Thank you for your time and consideration of our analysis. Please feel free to reach out to the HBA of Metro Denver, if you have any additional questions or concerns.

Sincerely,

Ted Leighty
Chief Executive Officer
Home Builders Association of Metro Denver

Cc: Jason Rogers, City Manager
Michael Sutherland, Interim Director of Community Development

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