

February 22, 2021

Duchesne Planning and Zoning, and

February 23, 2021

Duchesne City Council

Dear Representatives of our City;

This information comes from Realtor Legislative Day held by Zoom on February 12, 2021 regarding Affordable Housing and Accessory Dwelling Units (ADU's).

See enclosed hand-outs printed off the website.

I have been talking about housing shortages and affordable housing problems in the Uintah Basin for years. I am a strong proponent of Accessory Dwelling Units. I was very happy to see that this was the topic of The Realtor Political Action Meeting (RPAC) this year.

Please refer to the hand-out.

We have been asked to bring this to our City and County Councils. Cities have been moving toward this for years.

There is a serious affordable housing shortage statewide. In 2003 there were 900,000 fewer people in Utah than we have now.

We are not an exception to this problem in Duchesne City, Duchesne, County, and the Uintah Basin.

Statewide, families are averaging 50% of their budget for housing.

There is a dedicated NAR page on the Department of Justice web page. DOJ.Nar.Realtor. "Accessory Swelling Units! A free market solution!"

You all know I am a strong proponent of this and the UAR and NAR is asking you to be one as well.

Some of the solutions offered are:

- Mother-in-law houses – They typically rent for 58% less than normal amounts.
- Basements – Kids left home? Rent out the space. If there were one additional person allowed in every 4th home, this would house an additional 43,000 people in the state.
- Cabins and modified sheds.
- Occupied camp trailers, 5th wheels, and motorhomes allowed on private property and driveways.
- Garage apartments
- Shop apartments.
- Trailer Courts
- RV Parks

Many people are living in RV's and cars on the street and in parks, and in our State and National Parks.

People have moved into private sheds without the property owners knowing it.

This happened to me at my Vernal Office. They ran an extension cord to my office and we did not know about it for a few weeks.

There is a shortage of rental units in our state. This has brought on many problems including multiple families unknowingly moving into one unit creating health problems.

It will get worse. Migration of Americans looking for cheap housing who can work and school from home are increasing.

Immigrants, legal and illegal, moving in at an alarming rate is expected to rise in the new administration.

In November of 2019, there were 274 homes listed for sale on our MLS in Duchesne County. This morning there were 50 and that number will probably go down today. Only 168 homes listed Basin wide. This is not enough to meet demand and some of these homes will not qualify for loans. We need more homes, but building is cost prohibitive right now. Land is high and building costs are high. Licensed General Contractors are hard to find because of high regulations and required insurances.

President Biden MAY be offering a \$15,000 tax credit for first time home buyers.

Building is inevitable and I am asking our leaders to ensure that our water stays here to provide for our growth.

Also, please continue to press for broadband and fiber optics in our rural areas.

LANDLORDS AND EXPENSES

People always make the false assumption that landlords do not have expenses. If you have ever owned rentals, you know this is incorrect. After 30 years in this business, I will detail SOME of the expenses of owning and managing rentals and tenants:

- Mortgage payments
- Management fees
- Higher property taxes than primary residence properties
- Insurance and insurance riders
- Utilities – Duchesne City requires the landlords to pay water, sewer, and garbage.
- Maintenance of buildings, inside and out, whether occupied or not.
- Lawn care
- Snow removal
- Cleaning Ladies
- Bug control. Tenants often bring in parasites, but we also have to be aware of wasps and hornets.
- Move-in and move-out expenses

- And upon selling the unit or units, we have a high rate of capital gains tax usually eating up every penny we ever netted.

Can you see the damage done by “The Tenant Relief Bill of 2020?” The expenses rolled on with no income. And, of course, the tenants never caught up their back rent. Leading to.....

- Eviction, which involves a very expensive court system.

So again, please join with the NAR and the UAR and our state leaders to allow Accessory Dwelling Units in our County and City.

Thank you,

Susan Hamilton

Principal Broker/Owner

Freedom Realty

Duchesne, Roosevelt, and Vernal.

Member National Association of Realtors,

Utah Association of Realtors, and

Past President - Uintah Basin Board of Realtors.

435-822-2314

Some of the Taxes Landlords pay:

Federal Income Tax on each property

State Income Tax on each property

Property Tax on each property

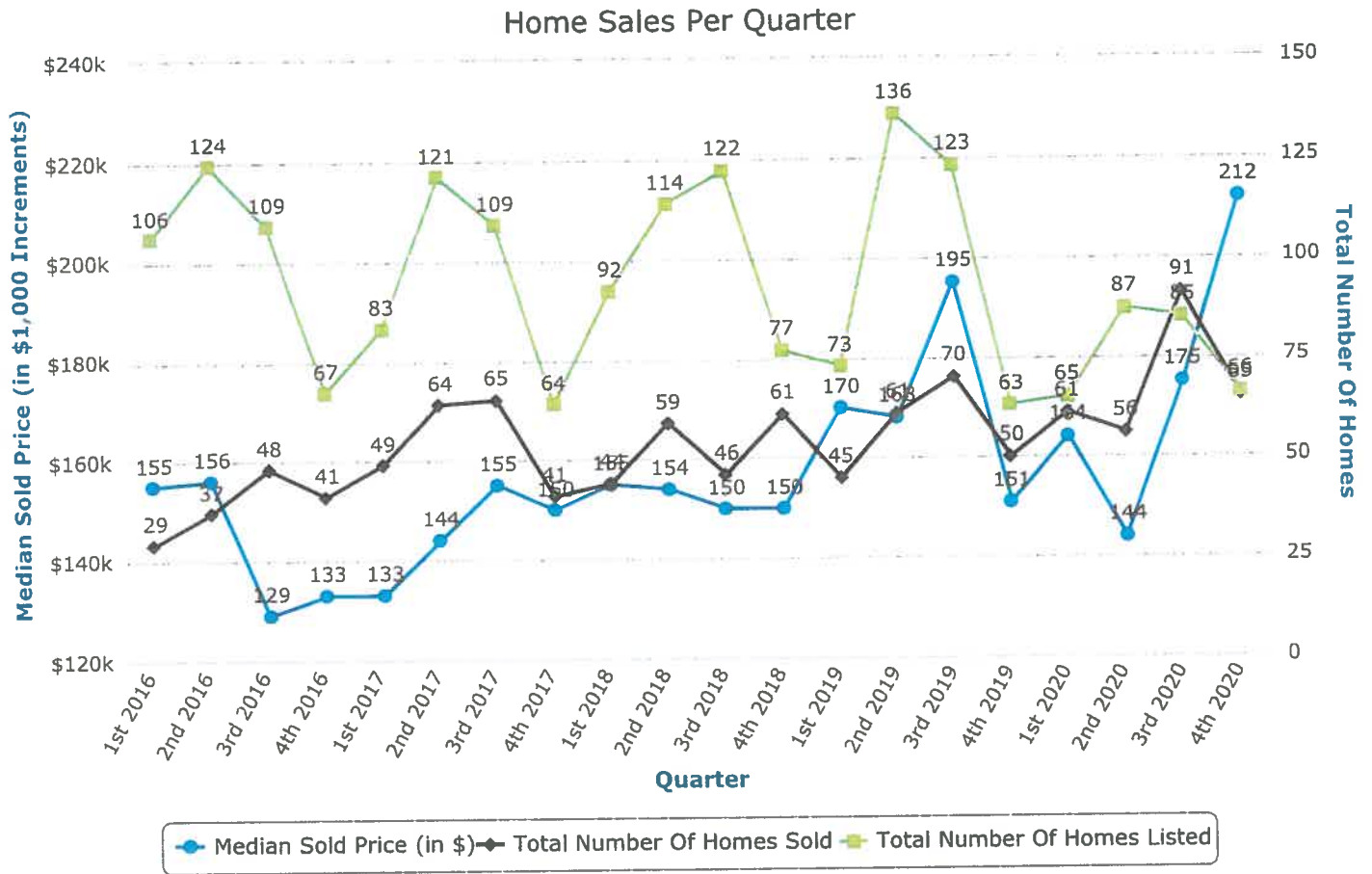
Sales Tax on anything purchased for the property including many, many maintenance items

Capital Gains Tax upon selling the property. This can be anywhere from 15% to 28%

Home Sales Graph Report

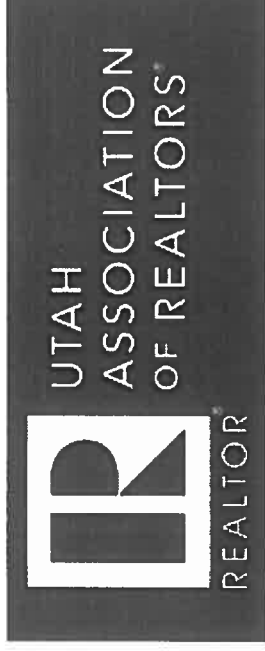
Search Criteria: State is Utah, County is Duchesne

Click and drag area inside of graph to zoom.



Prepared By:
Rose Gilliam
Freedom Realty Corp.
435-777-3996

This report was generated automatically by the Wasatch Front Regional MLS on 02/22/2021 at 03:11 PM



ACTION CENTER

Accessory Dwelling Units: A Free-Market Solution to Utah's Housing Shortage

Since 2012, 25% of Utah families have been priced out of the housing market as the median home price has increased. Shrinking inventory, population growth, and material shortages are putting homeownership further out of reach for Utah families every year.



Write



Call

Compose First Message

- State House

Subject

H.B. 82: Vote Yes For a Free-Market Solution to

Message Body

Recent actions taken by the Legislature have improved policies around inclusionary housing over the last few years, but there is more work to do.

Please use the form on this page to contact your legislator, with a pre-written message, and urge them to SUPPORT H.B. 82.

Background:

Accessory Dwelling Units are a step in the right direction! H.B. 82 streamlines local policies for ADUs inside single-family homes and provides financing through state-backed grants for ADU construction. ADUs in single-family homes are ideal for closing the housing gap while utilizing free-market principles and helping Utahns grow their wealth.

Utah still has an affordable housing crisis. This month Utah's housing inventory dipped below 5,000 homes statewide and at our current rate of production, it will take roughly 30 years for us to close the housing gap.

Compose Second Message

- State Senate

Subject

H.B. 82: Vote Yes For a Free-Market Solution to

Message Body

Utah still has an affordable housing crisis. This month Utah's housing inventory dipped below 5,000 homes statewide and at our current rate of production, it will take roughly 30 years for us to close the housing gap.

Enter Your Info

Your Information

Prefix *

First Name *

Last Name *

Email *

Home Information

Street Address *

ZIP Code *

Enter Zip for **City** and **State**

☒ Remember me

- ADUs are cost-effective in their construction
- ADUs provide additional income for first-time homebuyers
- ADUs create flexibility for families to support older family members
- ADUs increase housing without the use of additional land or infrastructure
- ADUs rent close to 60% below market value, making it possible for would-be buyers to rent and save for a future home purchase

Send Message