

Senate Local Government & Housing

04/23/2024 02:00 PM

HB24-1152 Accessory Dwelling Units

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
<p>FRAN MANDEL SHEETS Against themselves</p>	<p>Topdown residential zoning standards allowing ADUs in all single-family neighborhoods regardless of local zoning is severely dictatorial. We've worked hard for years (including adding ADUs to our code) to make this work for our community and NOW you are going to mandate that the careful consideration we've been giving is out the window. This bill removes our right to local planning and home rule and we have to live here too!</p> <p>We've worked hard to change the local ordinances to make appropriate size, location, detached or stand alone ADUs and NOW you are going to dictate to us? This is a quality of life issue as well. Some of us need garden plots. Some of us don't enjoy not being able to park our cars. Some of us would prefer we work for permanently affordable community-focused units that might help alleviate the homeless problems we have. But this one-size wipes out our ability to deal with our own local issues.</p> <p>Some of us find quality of life and big issue. We don't have enough parks as it is for all the new building - packing more into our neighborhoods only increases the pressure for children to find space to breathe and play. But state govt. is going to dictate that too?</p> <p>Affordability is a huge issue for all of us and this bill does nothing to help us with that either.</p> <p>This is a bad bill and needs major modification before you pass it. Please do your job and do not pass this bill as presented. Thanks.</p>
<p>Emily Reynolds Against themselves</p>	<p>Dear Legislators:</p> <ul style="list-style-type: none">• First, does Colorado really need the massive number of new housing units called for in this bill? A Feb. 1 nonpartisan Common Sense Institute report noted, "More people left Colorado for other states than arrived from other states in 2022."

	<ul style="list-style-type: none"> • Your own State Demographer said in the Feb report. "Since 2018, Colorado's housing growth has exceeded 40,000 units annually, outpacing population growth. Between 2018 and 2022, the state added an estimated 180,000 housing units, while the population increased by only 161,800. This surge in production and a slowdown in population growth are addressing the housing under-supply issue. • That's a surplus of 18,200 new housing units, not a shortage of them. And it doesn't include already-built units that are in the inventory. • According to the chief fire inspector, housing density was the single biggest contributor to the Marshall-Superior fire exploding into an urban firestorm. This Denver Post article's lead quote is, "Too many houses built too close together...led to the record Marshall firestorm losses topping \$1 billion, insurance industry researchers found this week as they sifted through ashes and charred ruins." • And an insurance industry article concluded the same: "Spacing was an issue here," "A push for lower-density housing for fire safety would collide with a push by some planners and developers for higher-density "mixed-use" communities."
<p>Kari Herman Against themselves</p>	<p>To the Committee;</p> <p>I am a mother of four and have been a resident of Fort Collins, Colorado for over 20 years. Having been brought up in Madison, Wisconsin, I have witnessed what over-density has done to my previous home base- Madison. Crime has risen, and the beauty of this College town has been eroded with increasing population and density. The charm of a 'small-city' has given way to increased pollution, while concrete has replaced green spaces.</p> <p>Now in Fort Collins, I live in an HOA that I, along with hundreds of other residents, were legally bound to sign a covenant which stipulates exactly what rules and regulations governed our neighborhood. I bought our house, specifically, for that reason and for the space of our lots and density. To simply eradicate HOA's density is an over-reach of the state government. I signed our legal</p>

	<p>document over 20 years ago. That legal document assured me that our neighborhood would exist in a specific way. While I am an Independent, I am friends with numerous democrats who are awakening to the idea that their votes may have led to this current state administration, and because this literally hits home, they too, are extremely unhappy.</p> <p>With all due respect, is this "density" happening in your gated community, Mr. Polis? I'm guessing the Governor's Mansion is off limits?....</p> <p>Thank you for your time and thoughtful consideration,</p> <p>Kari- mom of 4</p>
<p>Trudy A Haines Amend Fort Collins HOA (Homeowners Association) Coalition</p>	<p>IF ADUs are mandated state wide, then at least amend the bill to allow cities the flexibility to determine appropriate size, location, and whether the ADU is attached or detached.</p> <p>WE need to also protect the rights of not only the person building the ADU, but also the neighbors' rights and quality of life. We must protect neighbors' privacy in their own home and yard, viewsheds, property values; we must ensure safe emergency access and mitigate excessive shading (of garden plots), noise, and parking issues. Many Coloradans have saved their entire lives to own a single-family home—their largest investment—don't put them at risk.</p> <p>AMENDING the bill to require an on-site owner, is a positive step to protect neighbors and neighborhood livability and should apply to ALL municipalities.</p> <p>FOR sustainability, the State should encourage basement or single-story attached ADU's only, where possible—fewer materials are needed to build attached ADUs in existing basements, attics, garages, etc. Attached ADU's potentially cost less which could translate to lower rents. AND, this provision would help preserve neighbors' privacy in their own home and yard, etc.</p> <p>NOTHING in this bill ensures affordability or access to home ownership for people stuck in a rental cycle. And there is no mandated affordability for those renting an ADU. The bill should require that all grants and construction loans, etc.—funded by taxpayers – will ONLY go to existing homeowners that have lived in the home for 3 years or more, not corporate investors who purchased the home to maximize rental profit.</p>

	<p>THANK YOU for your service and attention, Trudy Haines</p>
<p>Robert Stickney For themselves</p>	<p>This bill is necessary to help relieve the housing and affordability crises in our state, while allowing for current homeowners to benefit greatly. I hope you will support it.</p> <p>As a homeowner, this bill will increase the value of my property in a healthy way that is not predicated on there not being enough supply to match demand.</p> <p>As a person with a mortgage, it will allow me to defray my costs and save money, while spending more locally to boost the economy and tax revenues (rather than just sending all of our money to an out of state bank).</p> <p>As a person who values property rights, it will restore more of these rights to myself and my neighbors.</p> <p>As a person concerned with affordability, the ONLY way to make housing more affordable is to increase its supply. This bill does so in a manner that allows the average homeowner to benefit from as well, rather than just a large-scale developer.</p> <p>As a person concerned with the environmental destruction of sprawl, it will</p> <p>The Colorado Municipal League has made complaints that bills such as these remove local control. They seem blind to the lack of control we are allowed to have at the most local level there is--an individuals property.</p> <p>I strongly encourage you to pass this bill to improve affordability and prosperity for Coloradans state-wide.</p> <p>-Robert Stickney</p>

<p>John Graham Against City of Manitou Springs</p>	<p>On behalf of the Manitou Springs City Council, I want to state our opposition to House Bill 1152. This would mandate sweeping overrides of local control throughout Colorado communities. This amounts to a clear and severe violation of the concept of local control, as the bill would allow the construction of Accessory Dwelling Units (ADUs) with no regard to existing local zoning and land use laws.</p> <p>A little over a year ago, the City of Manitou Springs adopted a revised Land Use Development Code, which was an extensive and thoughtful rewrite of our zoning rules. It was tailored to our needs and experiences and looks to our future. It is local in every sense and honored the concept of self-rule. If Bill 1152 is passed, that work will essentially be thrown out.</p> <p>Our code incorporates realistic practices for our confined, densely populated community. It factors in practical needs, like parking, transportation, infrastructure concerns and worries about hazards like floods and wildland fires. It considers housing needs and quality of life issues. It was the result of listening to many voices, hearing many needs, and pointing to livable solutions. Now all that is being put at risk with the blind mandates of 1152.</p> <p>What we have done in Manitou Springs is not unique to us. Throughout the state, local citizens work diligently to define their futures and regulate themselves. Government should honor local control and let people decide for themselves what best meets their needs. State government is far more effective when it collaborates with local government and when all parties focus on solutions, not mandates. Bill 1152 will disrupt communities and invoke unforeseen consequences.</p> <p>What might work in Lonetree, Greeley or Durango may be damaging to Manitou Springs, Leadville or Delta. Or vice versa.</p> <p>Manitou Springs's infrastructure and parking are often at their limits. Adding more units may be the last straw. Tell the drivers of emergency vehicles and snowplows that their jobs will get harder. Then repeat this story in communities throughout Colorado.</p> <p>State interference with local rules and local needs cannot become a matter of policy throughout Colorado. Citizens wonder what legislators are thinking when it comes to such wholesale violations of the principles of self-rule. Instead, let us take a course that honors local control and that fosters genuine collaboration.</p> <p>Please consider the irreparable harm 1152 promises to the citizens of Colorado.</p>
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Members of the Senate Local Government & Housing Committee,

On behalf of the Boulder County Young Democrats, we write in support of HB24-1152 (Accessory Dwelling Units).

In a state where the cost of housing has risen dramatically and unsustainably, this bill offers tangible solutions to address the needs of young and low-income Coloradans seeking affordable housing.

This bill represents a significant opportunity for communities across Colorado to expand the number of affordable housing options without additional large-scale commercial constructions. By allowing the creation and conversion of accessory dwelling units (ADUs), HB24-1152 promotes an increase of the overall housing supply and subsequently seeks to stabilize local housing costs, a necessary change for young people hoping to live in, and contribute to, their community.

Through the authorized programs in the bill that support low- and moderate-income borrowers like credit enhancement programs, interest rate buy-downs, and down payment assistance, this bill empowers people to pursue their homeownership dreams without being so burdened by exorbitant initial costs.

By recognizing the importance of intergenerational living arrangements and the benefits of living in high-opportunity neighborhoods, this bill also lays a foundation for long-term community development and youth resident retention.

HB24-1152 is a necessary piece of legislation that lays the groundwork for alleviating the housing crisis in Colorado, offering a lifeline to young people in need of affordable housing options. By prioritizing affordability, flexibility, and financial support, this bill strengthens the future success of Colorado residents, especially the youngest generation of renters and first-time homeowners.

We urge you to vote in support of this piece of legislation to ensure a brighter and more equitable future for all who call Colorado home.

Thank you for your consideration of SB24-1152.

Sincerely,

Andrew Barton
Vice Chair, Policy Advocacy
Boulder County Young Democrats

Accessory Dwelling Units Can Help Unlock Housing Affordability in Colorado

KEVIN ERDMANN

Senior Affiliated Scholar, Mercatus Center at George Mason University

Colorado Senate, Local Government and Housing Committee
HB24-1152 Accessory Dwelling Units

April 23, 2024

Chair Exum and members of the Local Government and Housing Committee, thank you for giving me the opportunity to offer testimony on allowing Colorado homeowners to build accessory dwelling units. I am Kevin Erdmann, a senior affiliated scholar with the Mercatus Center at George Mason University. I study housing policy and affordability across the United States and how housing policy reforms like those in the proposed HB24-1152 have affected housing market outcomes.

Many states are recognizing the need for housing reform, including more flexibility for homeowners to add accessory dwelling units (ADUs) to their properties. Here, I will focus on three points:

1. Allowing homeowners across Colorado to build ADUs would be an important step toward permitting the construction of a relatively affordable type of housing.¹ Accessory dwelling units are banned in many single-family neighborhoods in this state.
2. Restrictions on the right to build housing are responsible for high housing costs in Colorado.
3. State policymakers have an important role in limiting the ability of localities to restrict housing development that would improve housing affordability.

1. Accessory Dwelling Units Can Make Housing More Affordable

The proposed bill would give homeowners across Colorado the opportunity to build an attached or detached ADU. For ADU reform to be effective, it is important to avoid complications such as owner-occupancy requirements, parking requirements, and conditional use permitting.²

¹ Emily Hamilton and Abigail Houseal, “A Taxonomy of State Accessory Dwelling Unit Laws” (Mercatus Policy Brief, Mercatus Center at George Mason University, Arlington, VA, March 2023); Edward Pinto, Tobias Peter, and Emily Hamilton, *Light Touch Density: A Series of Policy Briefs on Zoning, Land Use, and a Solution to Help Alleviate the Nation’s Housing Shortage* (Washington, DC: American Enterprise Institute, 2022).

² Salim Furth and Jess Remington, “Ordinances at Work: Seven Communities That Welcome Accessory Dwelling Units” (Mercatus Policy Brief, Mercatus Center at George Mason University, Arlington, VA, April 2021).

Accessory dwelling units offer homeowners several potential benefits. First, they create an opportunity for homeowners to offset a portion of their mortgage payment by renting out part of their space. One study on ADU construction in Los Angeles finds that homeowners who choose to build these units increase their property values by 46 percent on average.³

Second, accessory dwelling units create more flexibility for people to meet their housing needs as the country's demographics change. ADUs make intergenerational living feasible, allowing young adults or elderly people to live with family members in spaces that can be built to accommodate accessibility requirements.⁴

Third, accessory dwelling units also have the benefit of being one of the most affordable types of new housing. Because ADUs are built on land attached to a single-family home, their land cost is zero. They also offer renters a more affordable type of housing. For example, in Washington, DC, basement apartments are the most common type of ADU, and they tend to rent for hundreds of dollars less per month than standard one-bedroom apartments in the same neighborhood.⁵ Similarly, in Los Angeles County a survey of homeowners found that ADUs typically rent for \$400 less per month than the county's median rent.⁶

2. Land Use Regulations Limit New Housing and Inflate Housing Costs

When zoning rules constrain housing supply—as is the case in high-cost regions in Colorado—the result is a limited supply of existing homes that become more expensive, forcing lower-income families to live elsewhere.⁷ This harms the state's most vulnerable residents and undermines the state's central role in securing economic opportunity for all.⁸

For every new home built, many households will move among the existing housing stock. Most of the changing character of a city comes from the movement of people between structures, not the production or renovation of structures. When a granny flat is built in Greenwood Village, rents decline in Aurora, because when granny moves in with her extended family in Greenwood Village, another family moves into her old house, and another family moves into their old apartment—and so on down

³ Sarah Thomaz, "Investigating ADUs: Determinants of Location and Their Effects on Property Values," Working Paper, accessed 2020, <https://sites.google.com/view/sarahthomaz/research>.

⁴ AARP, *The ABCs of ADUs: A Guide to Accessory Dwelling Units and How They Expand Housing Options for People of All Ages*, 2019.

⁵ Jennifer Barger, "How to Rent Out Your Basement in DC," *Washingtonian*, August 13, 2015.

⁶ Karen Chapple, Dori Ganetsos, and Emmanuel Lopez, *Implementing the Backyard Revolution: Perspectives of California's ADU Owners* (Berkeley, CA: The Center for Community Innovation at UC Berkeley, 2021); and Zillow, Housing Data (database), "ZORI All Homes Plus Multifamily Time Series (\$)," accessed March 31, 2023, <https://www.zillow.com/research/data>.

⁷ Kevin Erdmann, Salim Furth, and Emily Hamilton, "The Link between Local Zoning Policy and Housing Affordability in America's Cities" (Mercatus Policy Brief, Mercatus Center at George Mason University, Arlington, VA, March 2019).

⁸ Macroeconomists find that land use regulations harm both income mobility and economic growth. Peter Ganong and Daniel W. Shoag, "Why Has Regional Income Convergence in the US Declined?," *Journal of Urban Economics* 102 (2017): 76–90; Chang-Tai Hsieh and Enrico Moretti, "Housing Constraints and Spatial Misallocation," *American Economic Journal: Macroeconomics* 11, no. 2 (2019): 1–39; and Edward L. Glaeser and Joseph Gyourko, "The Economic Implications of Housing Supply," *Journal of Economic Perspectives* 32, no. 1 (2018): 3–30.

the line to Aurora. Allowing new units of all types helps residents across the city as much as it helps the new tenants.

This is clear in Denver. At the height of the 2006 housing boom, homes in the wealthiest parts of Denver typically sold for about three times a resident's income. That is still the case in 2024. However, while in 2006 homes in the poorest parts of Denver sold for about five times a resident's income, today they sell for eight times their income. Every family's cost of living is related across a city: When a city lacks adequate housing of any kind, it affects countless decisions families make about moving across the city. Costs rise the most where housing was the cheapest because families that live in those homes have fewer choices and less power to avoid rising rents. This pattern can be seen in cities across the United States because regulations, such as limits on ADUs, keep new home construction unsustainably low.⁹

3. The State Has a Role in Allowing Construction of Accessory Dwelling Units

Zoning and other land use regulations are generally implemented at the local level, but the state has an important role in limiting the ability of localities to stand in the way of new housing development.¹⁰ Because localities are creatures of their states, states have the legal authority to set limits on local regulation. The effects of local rules that prevent home building in one locality spill over to the next. Local land use regulations that limit population growth, economic growth, and income mobility within one city or county limit growth and opportunity for the whole state. Only the state legislature has the breadth of authority to address this.

Three constituencies are affected by ADUs:

1. Neighbors, who want to have a say over the aesthetics of new units
2. Developers or homeowners, attempting to do a renovation
3. Families, moving into older existing homes that are freed up elsewhere in the city

The first constituency has representation at the local level. All the rules put in place by municipalities, such as limits on ADUs, are intended to give residents control over the kind of construction and renovations allowed in their neighborhood. Where these rules bind, the second and third groups of constituents—homeowners or developers, and families who live elsewhere—don't have representation.

Of these three constituencies, the neighbors concerned about aesthetics represent a miniscule portion of the costs and benefits of those units. If a family can add the granny flat in the backyard, a few neighbors might notice the roof sticking up in the yard as they take their evening walks. Or, in an egregious example, they might notice a paint color or style they dislike.

⁹ Kevin Erdmann, "Price Is the Medium through Which Housing Filters Up and Down: A Proposal for Price/Income As an Indicator of Housing Supply Elasticity" (Mercatus Research Paper, Mercatus Center at George Mason University, Arlington, VA, November 18, 2022); Kevin Erdmann, "Home Price Trends Point to a Worsening Lack of Supply" (Mercatus Research Paper, Mercatus Center at George Mason University, Arlington, VA, May 30, 2023).

¹⁰ Emily Hamilton, "The Case for Preemption in Land-Use Regulation" in "Capitol Hill, State House, or City Hall: Debating the Location of Political Power and Decision-Making: A Mercatus Colloquium," ed. Eileen Norcross (Mercatus Center at George Mason University, July 20, 2017), <https://www.mercatus.org/research/essays/capitol-hill-state-house-or-city-hall-debating-location-political-power-and>.

If a safe, reasonable granny flat cannot be constructed due to aesthetic concerns, then granny cannot come live there. But her loss is just a small portion of the greater loss suffered by the countless families that, as a result, will have fewer affordable housing choices as they move around the city. The effect of one lost granny flat is hard to measure, but at this point, the large number of missing units have added up to a crisis. The countless rent-burdened residents don't care about the aesthetics of the granny flat; they just need the added choice made possible by more units. For any given unit, there is one neighborhood concerned with aesthetics, one family that would like to live with granny, and 1,000 neighborhoods concerned about having more affordable housing choices.

For decades, problems caused by this imbalance of representation were manageable. Housing across the state was affordable. That is not the case today.

Conclusion

Housing affordability is a central challenge for many Colorado residents, and the principal source of this challenge is local land use regulations that limit property owners' right to build housing. Permitting Colorado homeowners to build ADUs is one way to provide greater housing choice and allow for a more flexible housing supply for all Colorado residents. It is appropriate for state policymakers to step in to set limits on local land use regulations and to increase homeowner rights, because at the end of the day regulations that stand in the way of housing affordability and economic opportunity in one neighborhood affect the entire state.



Dear Chair and Members of the Senate Local Government & Housing Committee:

Enterprise is a national organization working to preserve and produce affordable homes and improve housing stability. We do so through capital investments, place-based programmatic engagement, and policy work at all levels of government.

I'm writing to voice Enterprise's support for HB 1152 and thank Senators Mullica and Exum for their leadership on this important issue.

A recent Enterprise analysis of challenges and opportunities in ADU development across the country identified single-family zoned areas, regulatory, and financial barriers to interested homeowners' ability to develop ADUs. These barriers can be particularly onerous for low-to-moderate (LMI) income homeowners seeking to build wealth and house family or community members. We are pleased that HB 1152 addresses many of these obstacles, particularly through delivering state resources.

We're happy to see grants to enable local governments to waive or offset fees and infrastructure-related costs particularly for LMI homeowners or for the purpose of establishing the ADU as a long-term rental affordable to LMI households. Similarly, we're grateful the bill invests in financing the construction of ADUs to benefit Colorado homeowners or renters living on less. There is a consensus among housing developers and practitioners that there is a scarcity of lending products tailored to ADU development across the country, and we hope this promotes such products here in Colorado—particularly those offering low-interest loans or grants to offset higher market interest rates or offer second mortgages.

Even as we support HB 1152, we do hope this committee is able to consider and will adopt two important amendments today that will better enable the policy to benefit LMI moderate income households:

- expressly prioritizing financing programs facilitated through CHFA for LMI residents; and
- clarifying that any locally imposed requirements on owner occupancy should only extend through the point of when a construction permit is pulled—a recommendation from our partners at the West Denver Renaissance Collaborative, a leader in enabling LMI households to build and benefit from ADUs.

Should the amendments come before you today we urge your yes vote, and ultimately your support of HB 1152. Thank you for your consideration.

Sincerely,
Kinsey Hasstedt



April 22, 2024

RE: HB24-1152 Accessory Dwelling Units—SUPPORT

Dear Members of the Local Government & Housing Committee:

My name is Kathy Smith, and I am a Volunteer Lobbyist with the League of Women Voters of Colorado's Legislative Action Committee. **I am writing in support of HB24-1152 on behalf of the League of Women Voters of Colorado.**

The League of Women Voters of Colorado (LWVCO) has been a nonpartisan organization for 104 years, encourages informed and active participation in government, and influences public policy through education and advocacy. Our membership spans the state of Colorado with thousands of members in 19 local leagues. The LWVCO supports policies to provide a decent home and a suitable living environment for everyone, and supports responsible land use planning by all levels of government.

HB24-1152 gives some Colorado homeowners the right to build Accessory Dwelling Units (ADUs) on their property. ADUs are a gentle way of increasing density in established neighborhoods and are generally more affordable due to their smaller size. ADUs commonly are used to house a family member or to provide an additional source of income and can allow for intergenerational living arrangements. Compared with low-density development, ADUs can reduce water use, greenhouse gas emissions, and household energy and transportation costs.

The cost of housing has more than doubled in the last 10 years, and over one third of Coloradans are spending more than a third of their income on rent or mortgage. ADUs can help expand the affordable housing supply, and innovative financing for ADUs is an important aspect (Urban Institute, 2020). The combination of grants in HB24-1152 to both assist local governments with implementation and to assist low- and moderate-income Coloradans with financing to build ADUs is a sound approach to incentivize more ADUs in established neighborhoods.

We urge the committee members to vote YES on HB24-1152 to help address our state's growing housing shortage and affordability crisis. Thank you for your consideration of this important bill.

Respectfully,
Kathy Smith, Volunteer Lobbyist, Housing
League of Women Voters of Colorado
1410 Grant Street, Suite B-204
Denver, CO 80203
303-863-0437



Town of Ordway

Phone 719-267-3134

232 Main St Ordway, CO 81063

Fax 719-267-3192

April 23, 2024

The Town of Ordway is against HB 1152 in its present state or any other bill with forced housing regulations.. We request that your population cutoff be amended to 2,500 citizens or at least 1,500. Rural Colorado should maintain their local control and not have city politicians with no idea of what is best for rural Coloradans pushing their city agenda on us. Of the two politicians pushing their bill, not one of them came to Southeastern Colorado or Ordway to see what their situation is. What we need is the politicians pushing for job creation in rural Colorado, not forced housing legislation.

Ordway is an example of why you do not want other units on property. Ordway allowed secondary living units on single family zoned parcels for many years. This did not work. With no jobs to keep people here, they abandoned old homes and the secondary family units and left town. We have spent the last 4 years tearing down eight primary homes, removed eighteen mobile homes that were moved into next to primary homes and eighteen secondary living units from abandoned properties. When Ordway was done with all these tear downs, we were left with a lot to auction to try to recover the taxpayer costs. We lost.

We have recognized our housing shortage in Ordway. Of the lots we have gained, we are and will give to someone that wants to build a home and are assisting first home buyers with grants to help offset the costs. We are currently building twenty-eight duplexes that will be affordable for our teachers, law enforcement and prison workers to live in. The county has an assisted living facility right next to our nursing home. The town donated land that we owned next to the assisted living facility so they may expand to allow more affordable housing for this population. We have another eight acres in the city limits that have been divided up and we will give it to anyone that wants to build, to include developers. Our plan is solid.

Homeowners are the backbone of Colorado. They have been stuck with massive property tax increases, spent 20-30 years paying mortgages to live in a neighborhood that in most cases is zoned single family and what we want. Now we have a group of elected officials want to change our neighborhoods to disrupt what they have chosen as there way of life, the environment they live want to live in, mortgages they paid to live there and the 20-30 years of property taxes they have paid that the government benefited from.

In listening to the meetings for hours, the driving theme is money. Period. If you need a place for a family member or parent to live, add a room to your existing home.

This should be a ballot issue that allows the property owners of Colorado to decide what is and is not allowed in their neighborhoods and what is best for their towns.

Sincerely,

Gerald Barber, Mayor

<u>Ault</u>	2,495								
<u>Meeker</u>^{†[ar]}	2,380								
<u>Cedaredge</u>	2,365								
<u>LaSalle</u>	2,341								
<u>Las Animas</u>^{†[asl]}	2,324								
<u>Rangely</u>	2,303								
<u>Wray</u>^{†[au]}	2,295								
<u>Holyoke</u>^{†[au]}	2,293								
<u>Elizabeth</u>	2,285								
<u>Granby</u>	2,159								
<u>Lyons</u>	2,146								
<u>Keenesburg</u>	2,080								
<u>Limon</u>	2,018								
<u>Olathe</u>	1,980								
<u>Hayden</u>	1,956								
<u>Center</u>	1,932								
<u>Akron</u>^{†[av]}	1,757								
<u>Idaho Springs</u>	1,752								
<u>Pagosa Springs</u>^{†[aw]}	1,720								
<u>Wiggins</u>	1,720								
<u>Crested Butte</u>	1,654								
<u>Hudson</u>	1,637								
<u>Columbine Valley</u>	1,636								
<u>Kersey</u>	1,503								
<u>Nederland</u>	1,500								
<u>Kremmling</u>	1,484								
<u>Paonia</u>	1,462								
<u>Del Norte</u>^{†[ax]}	1,428								
<u>Fraser</u>	1,411								
<u>Deer Trail</u>	1,387								
<u>Parachute</u>	1,368								
<u>Springfield</u>^{†[ax]}	1,298								
<u>Georgetown</u>^{†[az]}	1,280								
<u>Poncha Springs</u>	1,266								
<u>Mountain Village</u>	1,252								
<u>Julesburg</u>^{†[ba]}	1,244								

<u>Mancos</u>	1,238						
<u>Fowler</u>	1,220						
<u>Ridgway</u>	1,213						
<u>Cripple Creek</u> ^{†lbbj}	1,142						
<u>Pierce</u>	1,095						
<u>Ordway</u> ^{†lbcj}	1,091						
<u>Dillon</u>	1,029						
<u>Gilcrest</u>	1,027						
<u>Winter Park</u>	1,024						
<u>Minturn</u>	995						
<u>Manassa</u>	966						
<u>Haxtun</u>	963						
<u>Mount Crested Butte</u>	954						
<u>Ouray</u> ^{†lbdj}	925						
<u>Dolores</u>	919						
<u>Hotchkiss</u>	904						
<u>Log Lane Village</u>	900						
<u>Sanford</u>	897						
<u>La Veta</u>	881						
<u>Oak Creek</u>	875						
<u>Ignacio</u> ^{8j lbcj}	855						
<u>Blue River</u>	853						
<u>Bow Mar</u>	833						
<u>Holly</u>	822						
<u>Hugo</u> ^{†lbfj}	783						
<u>Central City</u> ^{lbgj}	779						
<u>Williamsburg</u>	756						
<u>Foxfield</u>	741						
<u>Fairplay</u> ^{†lbbj}	737						
<u>Calhan</u>	736						
<u>Cheyenne Wells</u> ^{†lbi}	734						
<u>Kiowa</u> ^{†lbi}	733						
<u>La Jara</u>	729						
<u>Silverton</u> ^{†lbi}	713						
<u>Silver Cliff</u>	688						
<u>Hot Sulphur Springs</u> ^{†lbi}	679						

<u>Dove Creek</u> ^{†lbml}	667								
<u>Eads</u> ^{†lbni}	657								
<u>Stratton</u>	644								
<u>Antonito</u>	632								
<u>Green Mountain Falls</u>	624								
<u>San Luis</u> ^{†lbollbpl}	618								
<u>Simla</u>	606								
<u>Swink</u>	596								
<u>Nucla</u>	590								
<u>Flagler</u>	572								
<u>Walden</u> ^{†lbai}	569								
<u>Norwood</u>	536								
<u>Saguache</u> ^{†lbrllbsl}	536								
<u>Walsh</u>	534								
<u>Nunn</u>	531								
<u>Mountain View</u>	527								
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<u>Westcliffe</u> ^{†lbt}	477								
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<u>Morrison</u>	375								
<u>Victor</u>	374								
<u>Collbran</u>	368								
<u>Coal Creek</u> ^{lbvi}	366								
<u>Empire</u>	335								
<u>Manzanola</u>	333								

<u>Blanca</u>	332								
<u>Rico</u>	323								
<u>Olney Springs</u>	310								
<u>Romeo</u>	310								
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<u>Carbonate^[by]</u>	0								

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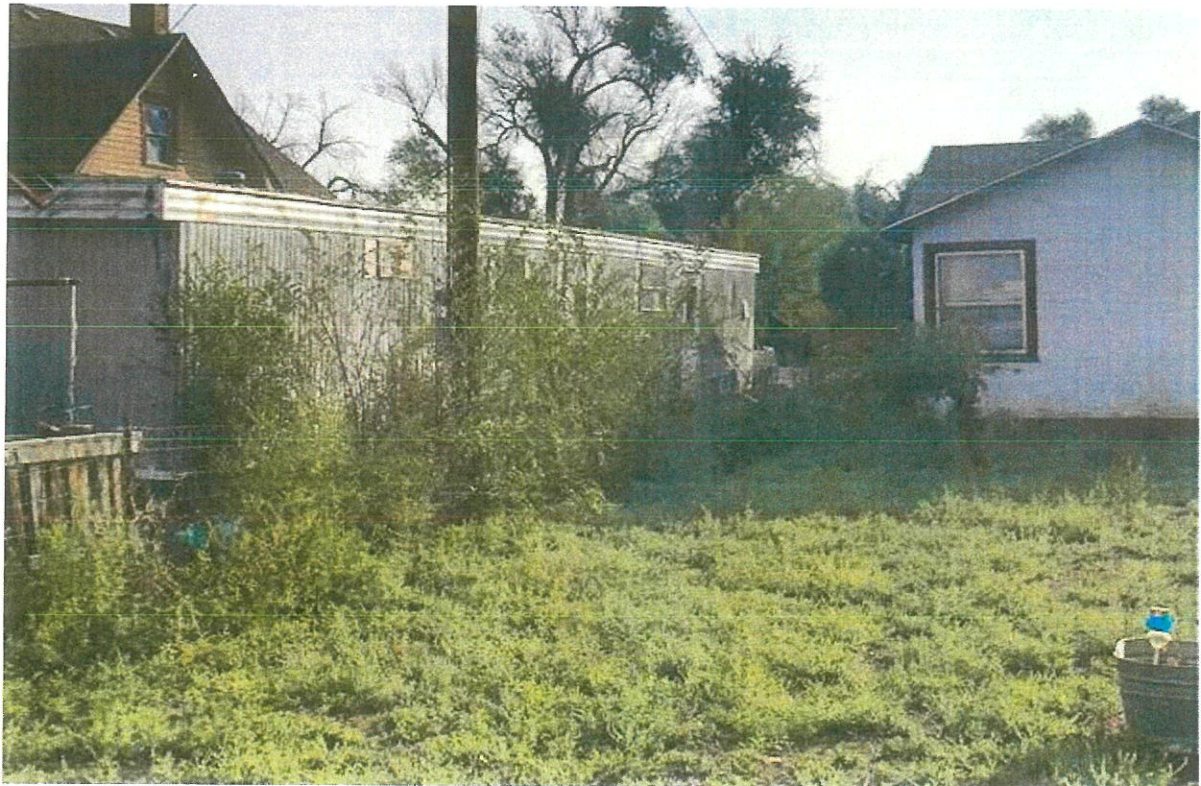
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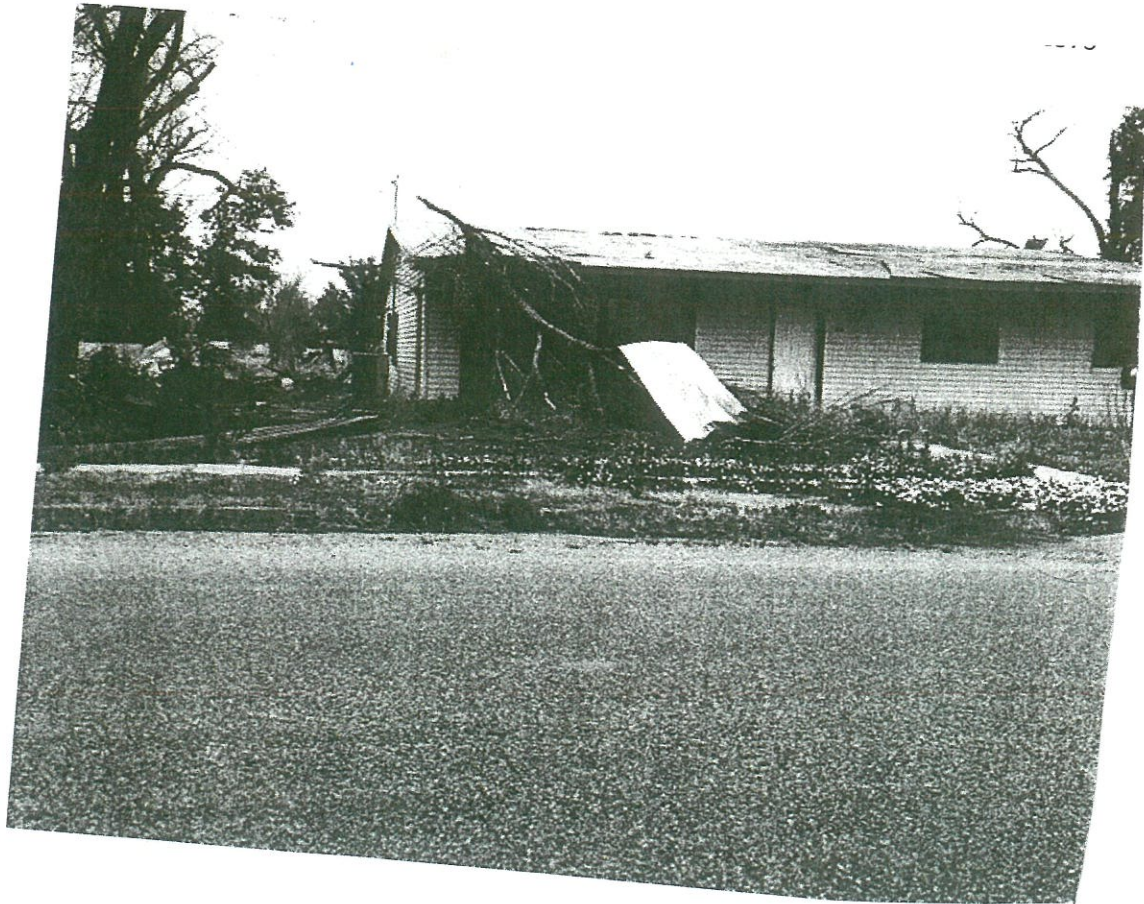
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Parcel Number 10800071	201 Short	301 Arkansas
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423 Main	9th St. P. 10800071 (2)	406 E 3rd
428 E. 3rd	Fence Line @107 Lake	448 E Third
	502 East 3rd	325 Lake (2)
	448 E 3rd	419 Main
		924 Main
		428 E. 2nd

2024-2027 Targets

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305 Ark (8-28)		
317 Arkansas (8-28)		
215 E 4th (8-28)		
431 Main (9-25)		
326 Idaho (8-28)		
502 Otero (11-27)		
515 Otero (11-27)		
110 Otero(N. House)		
211 Lincoln Campos		
103 Ark (On hold)		











Town of Ordway

Phone 719-267-3134

232 Main St Ordway, CO 81063

Fax 719-267-3192

April 23, 2024

The Town of Ordway is against HB 1152 in its present state or any other bill with forced housing regulations.. We request that your population cutoff be amended to 2,500 citizens or at least 1,500. Rural Colorado should maintain their local control and not have city politicians with no idea of what is best for rural Coloradans pushing their city agenda on us. Of the two politicians pushing their bill, not one of them came to Southeastern Colorado or Ordway to see what their situation is. What we need is the politicians pushing for job creation in rural Colorado, not forced housing legislation.

Ordway is an example of why you do not want other units on property. Ordway allowed secondary living units on single family zoned parcels for many years. This did not work. With no jobs to keep people here, they abandoned old homes and the secondary family units and left town. We have spent the last 4 years tearing down eight primary homes, removed eighteen mobile homes that were moved into next to primary homes and eighteen secondary living units from abandoned properties. When Ordway was done with all these tear downs, we were left with a lot to auction to try to recover the taxpayer costs. We lost.

We have recognized our housing shortage in Ordway. Of the lots we have gained, we are and will give to someone that wants to build a home and are assisting first home buyers with grants to help offset the costs. We are currently building twenty-eight duplexes that will be affordable for our teachers, law enforcement and prison workers to live in. The county has an assisted living facility right next to our nursing home. The town donated land that we owned next to the assisted living facility so they may expand to allow more affordable housing for this population. We have another eight acres in the city limits that have been divided up and we will give it to anyone that wants to build, to include developers. Our plan is solid.

Homeowners are the backbone of Colorado. They have been stuck with massive property tax increases, spent 20-30 years paying mortgages to live in a neighborhood that in most cases is zoned single family and what we want. Now we have a group of elected officials want to change our neighborhoods to disrupt what they have chosen as there way of life, the environment they live want to live in, mortgages they paid to live there and the 20-30 years of property taxes they have paid that the government benefited from.

In listening to the meetings for hours, the driving theme is money. Period. If you need a place for a family member or parent to live, add a room to your existing home.

This should be a ballot issue that allows the property owners of Colorado to decide what is and is not allowed in their neighborhoods and what is best for their towns.

Sincerely,

Gerald Barber, Mayor

<u>Ault</u>	2,495								
<u>Meeker</u>^{†[ar]}	2,380								
<u>Cedaredge</u>	2,365								
<u>LaSalle</u>	2,341								
<u>Las Animas</u>^{†[asl]}	2,324								
<u>Rangely</u>	2,303								
<u>Wray</u>^{†[au]}	2,295								
<u>Holyoke</u>^{†[au]}	2,293								
<u>Elizabeth</u>	2,285								
<u>Granby</u>	2,159								
<u>Lyons</u>	2,146								
<u>Keenesburg</u>	2,080								
<u>Limon</u>	2,018								
<u>Olathe</u>	1,980								
<u>Hayden</u>	1,956								
<u>Center</u>	1,932								
<u>Akron</u>^{†[av]}	1,757								
<u>Idaho Springs</u>	1,752								
<u>Pagosa Springs</u>^{†[aw]}	1,720								
<u>Wiggins</u>	1,720								
<u>Crested Butte</u>	1,654								
<u>Hudson</u>	1,637								
<u>Columbine Valley</u>	1,636								
<u>Kersey</u>	1,503								
<u>Nederland</u>	1,500								
<u>Kremmling</u>	1,484								
<u>Paonia</u>	1,462								
<u>Del Norte</u>^{†[ax]}	1,428								
<u>Fraser</u>	1,411								
<u>Deer Trail</u>	1,387								
<u>Parachute</u>	1,368								
<u>Springfield</u>^{†[ax]}	1,298								
<u>Georgetown</u>^{†[az]}	1,280								
<u>Poncha Springs</u>	1,266								
<u>Mountain Village</u>	1,252								
<u>Julesburg</u>^{†[ba]}	1,244								

<u>Mancos</u>	1,238							
<u>Fowler</u>	1,220							
<u>Ridgway</u>	1,213							
<u>Cripple Creek</u> ^{†lbbj}	1,142							
<u>Pierce</u>	1,095							
<u>Ordway</u> ^{†lbcj}	1,091							
<u>Dillon</u>	1,029							
<u>Gilcrest</u>	1,027							
<u>Winter Park</u>	1,024							
<u>Minturn</u>	995							
<u>Manassa</u>	966							
<u>Haxtun</u>	963							
<u>Mount Crested Butte</u>	954							
<u>Ouray</u> ^{†lbdj}	925							
<u>Dolores</u>	919							
<u>Hotchkiss</u>	904							
<u>Log Lane Village</u>	900							
<u>Sanford</u>	897							
<u>La Veta</u>	881							
<u>Oak Creek</u>	875							
<u>Ignacio</u> ^{8j lbcj}	855							
<u>Blue River</u>	853							
<u>Bow Mar</u>	833							
<u>Holly</u>	822							
<u>Hugo</u> ^{†lbfj}	783							
<u>Central City</u> ^{lbgj}	779							
<u>Williamsburg</u>	756							
<u>Foxfield</u>	741							
<u>Fairplay</u> ^{†lbbj}	737							
<u>Calhan</u>	736							
<u>Cheyenne Wells</u> ^{†lbi}	734							
<u>Kiowa</u> ^{†lbi}	733							
<u>La Jara</u>	729							
<u>Silverton</u> ^{†lbi}	713							
<u>Silver Cliff</u>	688							
<u>Hot Sulphur Springs</u> ^{†lbi}	679							

<u>Dove Creek</u> ^{† bml}	667								
<u>Eads</u> ^{† bni}	657								
<u>Stratton</u>	644								
<u>Antonito</u>	632								
<u>Green Mountain Falls</u>	624								
<u>San Luis</u> ^{† bol bpl}	618								
<u>Simla</u>	606								
<u>Swink</u>	596								
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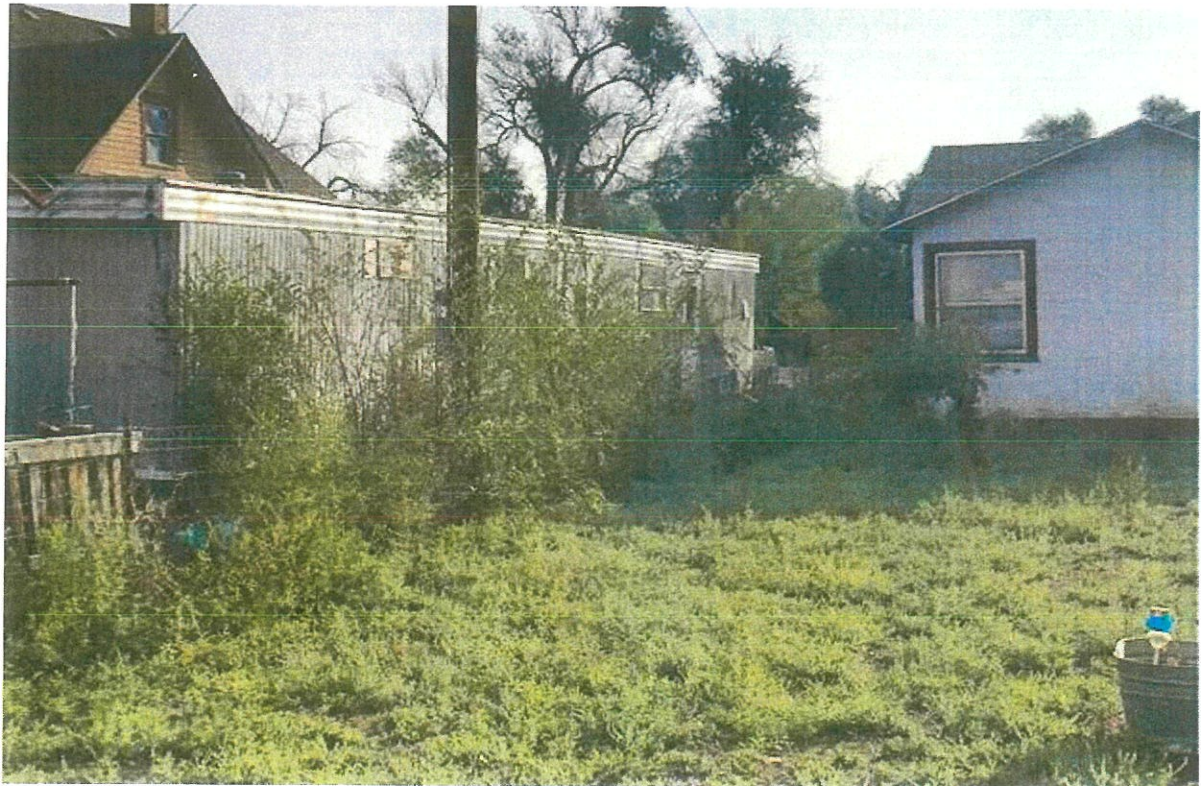
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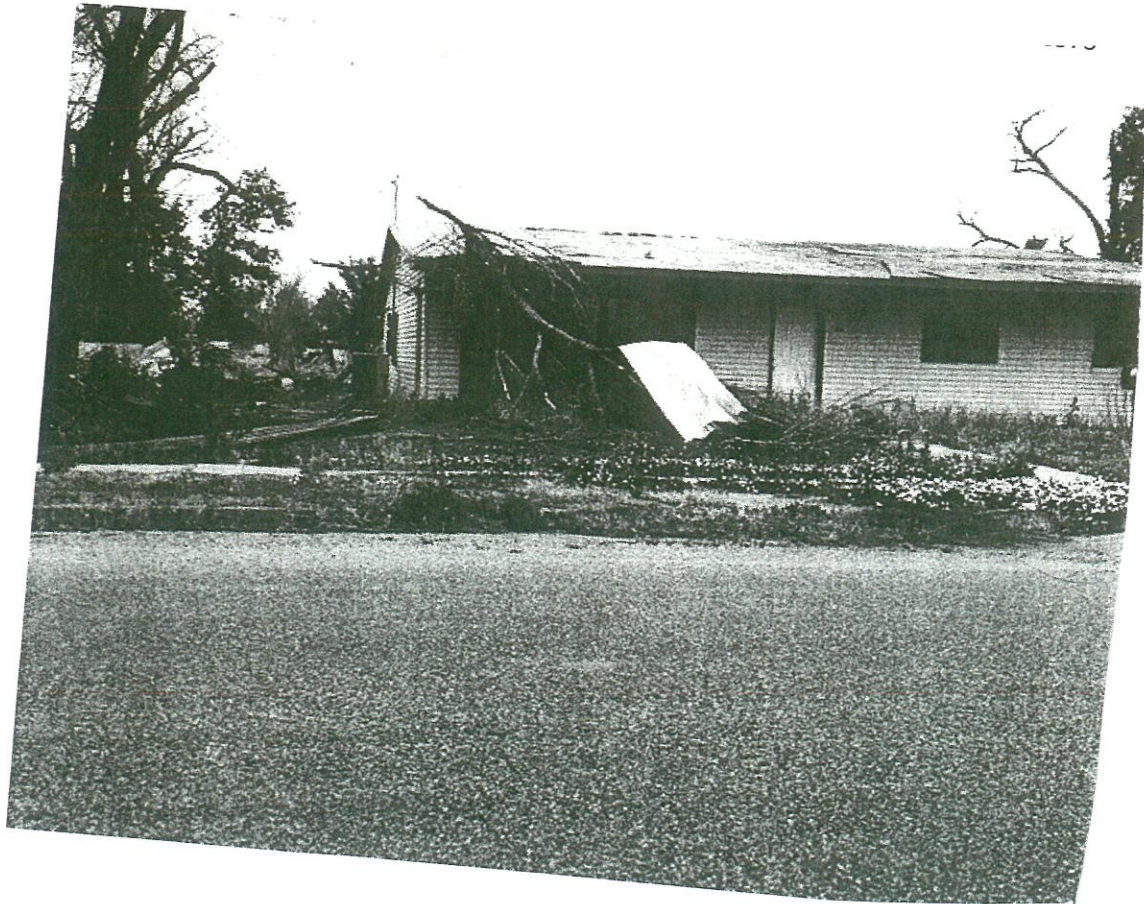
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317 Arkansas (8-28)		
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326 Idaho (8-28)		
502 Otero (11-27)		
515 Otero (11-27)		
110 Otero(N. House)		
211 Lincoln Campos		
103 Ark (On hold)		











TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

TechNet Central | Telephone 720.308.0842
P.O. Box 113, Littleton, CO 80160
www.technet.org | @TechNetCentral

April 23, 2024

The Honorable Tony Exum
Chair
Senate Local Government and Housing Committee
Colorado General Assembly
200 E. Colfax Avenue
Denver, CO 80203

Re: HB24-1152, Accessory Dwelling Units, TechNet Support

Dear Chair Exum, and Honorable Members of the Senate Local Government and Housing Committee:

I write on behalf of TechNet to share our support for this bill and to respectfully ask that the Committee advances HB24-1152.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.4 million employees and countless customers in the fields of information technology, artificial intelligence, ecommerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

TechNet promotes policies that encourage the development of entrepreneurship, mobile commerce, and the next wave of innovation in the new economy. Establishing an innovation-friendly policy framework is the key to the competitiveness of the technology industry and the state economy.

Short-term rentals create income opportunities in every corner of the country, allowing people to use their personal property to generate income and provide for themselves and their families. This bill will help promote the opportunities that are created for property owners, visitors to Colorado, and the state and local economy by short-term rentals. Colorado should support innovation and individual empowerment by enacting laws that support short-term rentals and recognize the unique nature of this sector.

For the reasons stated in this letter, we support HB24-1152 and ask the Committee to move the bill forward. Thank you for your consideration of our perspective, if you have any questions regarding our support, please contact me at rbarko@technet.org.

Best regards,

A handwritten signature in black ink that reads "Ruthie Barko". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Ruthie Barko
Executive Director, Colorado & the Central U.S.
TechNet

Testimony for 1152

Thank you Chair Exum, Vice Chair Gonzales, and esteemed members of Senate Local Government and Housing. My name is Michael Neil and I rise to strongly support HB24-1152 on behalf of Colorado Cross-Disability Coalition and myself. Thank you, Senators Mullica and Exum for bringing this bill. CCDC stands in strong support of HB 24-1152 making it easier to build Accessory Dwelling Units or ADU's throughout the state. This is a helpful option for people with disabilities in a few different ways.

We are seeing families with adult disabled children using ADUs as a great option for supporting independence and setting our kids up for a successful future. With the current affordable housing crisis, it is virtually impossible for someone who is on SSI, SSDI or even not capable of full-time work well above minimum wage to rent in many parts of the state. An ADU is a great way to afford adult disabled children independence with family or friend support close by. This also helps families be able to continue unpaid support, creating less reliance on government programs.

Another way this is used in the disability community is for people with disabilities who need caregiving. As we age, we often need more support than is available through traditional personal care programs. Having an ADU and offering reduced or even free rent in exchange for caregiving is a great way to meet one's needs, particularly for very brief support needs late at night or as an emergency backup for regular caregivers.

We believe this is a great option for many people for various reasons, but, in particular, it is a great solution for many in the disability community to address other shortage areas as well. Please support HB 24-1152.

Testimony for HB24-1152
State of Colorado
4/23/2024

Oral Testimony

My name is Kol Peterson. I'm based in Portland, Oregon. I have developed and lived in ADUs since 2010. In 2018, I published *Backdoor Revolution*, the Definitive Guide to ADU Development. I also edit AccessoryDwellings.org and BuildinganADU.com and sit on the board of the Casita Coalition. I spearheaded the growth of ADUs in Portland beginning back in 2010, and now work as a technical consultant through AARP to help other jurisdictions and states to improve their ADU codes.

It is amazing that you all are considering strong ADU legislation. In the four other states that have passed preemptive legislation, including California, Oregon, and more recently in Montana and Washington, the legislators are being seen as heroes by average people in their state, who are experiencing the same affordable housing issues that we all are. This will be true in Colorado when this legislation passes.

There are three main points I'll make today about owner occupancy. They are as follows.

- 1) Local Governments do not have the political ability to eliminate owner occupancy or off street parking requirements, which are two of the most critical facets of a strong ADU ordinance and without fail, the most controversial. State legislators that see that ADUs are a part of the solution, are helping cities to get unstuck.
- 2) ADUs, unlike *all* other housing types, such as the ones we live in and are surrounded by everywhere, are not developed by professional developers, but by amateur mom and pop homeowners. These amateur first time developers can't obtain good financing in part because of owner occupancy requirements. Owner occupancy requirements reduce values of the properties with ADUs, making them only an exclusive housing option for wealthy. Owner occupancy restrictions make properties with ADU undesirable to the average buyer, who want the freedom to do with their property as they wish. The restrictions make them undesirable to the average buyer, who wants the freedom to do with their property as they wish.
- 3) We would never consider limiting single family homes to only owners, because $\frac{1}{3}$ of all of the single family homes in the US are rental units. Owner occupancy ordinances say it's permissible for an owner occupant and a renter to live on the same lot. But, it's not ok for two renter households to live on the same lot. Owner occupancy requirements are a form of renter ban. While we don't think of it that way, that's what it is. Imagine if we said that single family homes couldn't be rented, or duplexes, or any other housing type.

Because the increase in housing is always riddled with obstructionism in local government, we need states to step in to help municipalities get over this regulatory hurdle to help enable the

fledgling grassroots affordable housing type a chance to flourish. Thank you for taking the necessary steps to get cities and jurisdictions to get unstuck.

End of oral testimony

Further Resources on Owner Occupancy Restrictions for ADUs

Owner occupancy is a form of discrimination toward renters, and potentially a violation of fair housing laws. Nonetheless, owner occupancy requirements are very common for this one particular form of housing--ADUs. Owner occupancy is a form of discrimination toward renters, and potentially a violation of fair housing laws.

Where this matter has been tested in the courts, it has been found to be unconstitutional. <https://www.carolinajournal.com/court-sides-with-property-owner/> Nonetheless, owner occupancy requirements are very common for this one particular form of housing--ADUs.

These standards also result in the production of *unpermitted* ADUs, which do not help cities or states in meeting their housing production goals.

On the ADU Financing

I'm attaching two bank letters that illuminate how owner occupancy regulations obstructs the ability for people to finance ADUs. So, indeed, some banks and credit unions appear unwilling to have their mortgages tied to properties that have onerous deed restrictions.

Banks cannot be owner occupants and in foreclosure would be in violation of the law, have to evict tenants, and therefore just won't lend. This tenant displacement concern causes banks to be reticent to lend on such properties. This limits the ability to develop ADUs to only the very wealthy.

On Speculative ADUs

ADUs tend to be developed by average homeowners, unlike every other form of housing in America, which tend to be developed by professional developers.

Overview of Seattle EIS that shot down claims from an affluent neighborhood that allowing ADUs would increase tear-downs and displacement. It would do neither. <https://www.sightline.org/2018/05/24/seattles-new-environmental-study-on-accessory-dwellings-obliterates-obstructionists-claims/>

Research that the majority of ADUs are developed by homeowners, not speculative developers <https://accessorydwellings.org/2019/01/14/adu-permit-trends-in-portland-in-2017-and-2018/>

Not Reproducing Poor ADU Legislation

As a practical matter, there are no examples of any jurisdictions in the country with significant ADU adoption that have owner occupancy standards on the books.

Indeed, there's ample contemporary research on this topic laid out now by an ample range of academic, non-partisan, non-profit institutions that have spent a great deal of time and effort on this topic. There is broad consensus here that owner occupancy requirements are a primary obstacle to ADU development.

- <https://www.aarp.org/livable-communities/housing/info-2021/adu-model-state-act-and-local-ordinance.html>
- <https://alec.org/model-policy/accessory-dwelling-units-act/>
- <https://www.mercatus.org/research/policy-briefs/state-accessory-dwelling-unit-laws>
- <https://www.brookings.edu/articles/how-owner-occupancy-regulations-are-contributing-to-the-housing-crisis/>

Sincerely,

Kol Peterson

Accessory Dwelling Strategies LLC

Editor of AccessoryDwellings.org

Author of Backdoor Revolution, the Definitive Guide to ADU Development



FIRST REPUBLIC BANK
It's a privilege to serve you®

January 19, 2018

Andreas Blomst
927 East Ortega St.
Santa Barbara, CA. 93103

RE: City of Santa Barbara Covenant

Dear Mr. Blomst,

You have contacted us in connection with your loan secured by the residence at 927 East Ortega Street, Santa Barbara CA 93103. Specifically, you are seeking our consent as Lender in connection with a proposed Accessory Dwelling Unit Covenant.

Pursuant to your Deed of Trust, if any part of any interest in the property is sold or transferred without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. Please see Deed of Trust, Section 18.

The proposed Accessory Dwelling Unit Covenant would place certain limitations on this property, and as such could be construed as a transfer of interest in the property. First Republic Bank is not able to provide consent to such transfer at this time.

Please feel free to contact me should you have any questions.

Sincerely,

Karin V. Napel
Managing Director
First Republic Bank



AMERICAN RIVIERA
BANK

March 5, 2018

Andreas Bloomst
927 East Ortega St
Santa Barbara, CA 93103

RE: City Of Santa Barbara ADU Covenant

Dear Mr. Bloomst,

I have reviewed the Accessory Dwelling Unit Covenant and as a lender I have a number of concerns:

1. The Covenant does not provide the lender with protections in the case of a foreclosure or deed in lieu of foreclosure as the restriction will affect marketability of the property. The covenant requires at least one of the units be owner-occupied. In a market where there is a demand for investment property, this limits the pool of potential buyers, thus affecting the sales price and marketability of the property. A potential homeowner or home purchaser may have a difficult time obtaining conventional financing with this deed restriction;
2. Your covenant states that owner needs to occupy the residence, if the lender forecloses, the lender can clearly not occupy the property and will be in violation of your proposed covenant.
3. The borrower could be in violation of their deed of trust already on the property since they have agreed to the covenant being added and it effectively transfers some of their rights from the property to the City which could trigger a due on sale clause;
4. A sunset clause will not address lender concerns as the lender cannot owner-occupy the property and it still does not provide for lenders protections in case of foreclosure or deed in lieu of foreclosure.

Please do not hesitate to contact me with further questions.

Sincerely,

Lori Murray
NMLS#742373
SVP/Residential Lending Manager
805-730-4987