STABILITY BY DESIGN

Permanent Neighborhoods and the Home Preservation Compact

A property rights based housing, water, and neighborhood preservation strategy for Utah

Candidate Authored Policy White Paper

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August 10, 2026
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Core principle

You give the community permanence. The community gives you real value in return.

Paid for by Annette for Utah

Authorship and Publication Disclosures

Candidate authorship. This white paper presents the policy positions, priorities, and proposed legislative direction of Annette McRae, candidate for Utah State Senate District 20. The first person portions reflect her lived experience and policy judgment.

Campaign publication disclosure. This document is published by the candidate's campaign for public policy and campaign communication purposes. Paid for by Annette for Utah.

Research and drafting disclosure. Public sources, legal research tools, and editorial drafting assistance, including AI assisted research and drafting tools, were used in preparing and checking portions of this document. Annette McRae reviewed, directed, and approved the policy positions and final publication content.

Legal status. This is a candidate policy paper, not a legal opinion, title opinion, tax opinion, engineering design, or final bill draft. Proposed statutory language should be reviewed by Utah Legislative General Counsel and appropriate constitutional, land use, title, housing, tax, lending, water, and utility professionals before introduction.

Source standard. Legal and regulatory claims in this edition are anchored to primary government sources where available. Laws and programs may change after publication.

Policy design standard. The proposal deliberately distinguishes voluntary agreements with existing homeowners from mandates or permit exactions. It also distinguishes preserving residential use from imposing resale price controls.

Executive Summary

Utah does not only have a housing construction problem. We have a housing preservation problem.

That distinction matters in communities shaped by tourism, second homes, short term rentals, rapid growth, rising land values, and the increasing cost of basic infrastructure.

I grew up in Moab before it became the tourist destination people know today. I also grew up in Heber City. I watched what happened.

Tourism brought opportunity, businesses, visitors, jobs, and investment. It also changed what homes were worth and what homes were used for. A house that once had its highest value as a place for a family to live could eventually have greater financial value as vacation lodging, a second home, or an investment property.

When enough homes make that transition, a community can continue adding housing units while losing neighborhoods.

The people who make a community function should have a reasonable opportunity to live in that community. That includes teachers, hospitality workers, nurses, firefighters, law enforcement officers, restaurant workers, tradespeople, public employees, young families, retirees, and small business employees.

My answer is not government ownership of everybody's housing. It is not forced deed restrictions on existing homeowners. It is not banning tourism. It is not preventing people from building equity.

It is a voluntary exchange.

A homeowner who willingly commits a property to long term residential use should be able to receive substantial value in return. That value could include help repairing the home, correcting deferred maintenance, conserving water, preparing the property for reclaimed water, increasing energy efficiency, improving accessibility, hardening the home against wildfire, or adding an accessory dwelling unit that remains part of the long term housing supply.

At the same time, Utah should expand self help housing and create new neighborhoods where residential use is protected from the beginning.

The goal is simple: Keep homes as homes.

This paper proposes the **Home Preservation Compact**, paired with a broader **Permanent Neighborhoods Initiative**.

Preserve first. Retrofit second. Add housing where it fits. Build new where necessary. Put water and infrastructure first. Protect property rights. Require permanence when public money purchases permanence.

1. A Lesson Learned From Life

My housing philosophy did not begin in a committee room. It began in Moab.

I remember Moab before the tourism economy transformed it. That gives me a different perspective on the housing discussion.

It is easy to look at a successful tourism economy after it has developed and assume the resulting housing problems were inevitable. They were not. Choices were made along the way.

Homes became more valuable. Land became more valuable. Tourism demand increased. People discovered that residential property could sometimes earn more money serving visitors than residents. Over time, the economic incentive changed.

That does not make homeowners bad people. It means incentives matter.

If the financial system rewards converting local housing into tourist accommodation, we should not be surprised when some housing leaves the permanent residential market.

The answer cannot simply be: build more. If we build ten homes while ten existing homes become tourist lodging, we have built housing without making progress.

Before Utah asks where the next subdivision goes, we should ask what can be done to keep the homes and neighborhoods we already have.

2. Tourist Towns Need Neighborhoods

A housing unit and a neighborhood are not the same thing.

A neighborhood contains people who live there. Residents volunteer, coach teams, shop locally, serve on boards, send children to local schools, care for neighbors, and build the institutions and traditions that make a community work.

Tourism is an important part of Utah's economy. But a tourism economy still needs permanent residents.

A community cannot function entirely as lodging inventory.

Tourist towns need neighborhoods, not just housing units.

3. Property Rights Come First

This program must begin with constitutional limits.

Article I, Section 22 of the Utah Constitution provides that private property may not be taken or damaged for public use without just compensation. [1]

The Fifth Amendment to the United States Constitution separately protects private property from uncompensated taking, as applied to state and local governments through constitutional doctrine.

These protections are not inconveniences to work around. They should shape the policy.

An existing homeowner should not be told to surrender a valuable property right simply because government prefers another use. Instead, government may offer a voluntary contract: the homeowner provides a durable public housing benefit and receives meaningful consideration in return.

4. The Home Preservation Compact

The Home Preservation Compact would allow an eligible homeowner to voluntarily place a residential use covenant on property in exchange for substantial preservation benefits.

The basic covenant would provide that the home remains part of the long term residential housing supply and would prohibit operation of the participating primary residence as transient vacation lodging or a short term rental for the period required by the program.

For the strongest version of the program, the policy goal should be durable or permanent preservation. The Legislature should establish a title mechanism capable of reliably maintaining that restriction under Utah law.

The homeowner would retain ownership. The homeowner could sell the house. The homeowner could pass the property to heirs. The homeowner could build equity. The program would not automatically impose a resale price limit.

5. Two Different Types of Housing Protection

Tier One: Permanent Residential Housing

The purpose of Tier One is to preserve housing stock.

The owner voluntarily agrees that the property will remain residential housing rather than short term tourist lodging.

The owner can sell the property at market value, keep ordinary appreciation, and pass the property to heirs. The residential use restriction follows the property.

Tier One protects housing without automatically imposing resale price controls.

Tier Two: Permanently Attainable Housing

Tier Two would apply when substantially more public money is invested or when the parties intentionally choose to preserve affordability as well as residential use.

Possible tools include income qualifications, resale formulas, shared appreciation, purchase price limits, rights of first refusal, community land trusts, or owner occupancy requirements.

The homeowner should still have a meaningful opportunity to build equity.

Tier One protects housing. Tier Two protects housing and affordability.

6. The Incentive Must Be Worth Something

Government cannot expect a homeowner in a high value tourism market to surrender potentially valuable future short term rental rights in exchange for a symbolic payment.

The incentive should reflect the public benefit being purchased. A participating homeowner could receive a customized preservation package, with much of the public investment improving the safety, efficiency, durability, and usefulness of the home.

7. Deferred Maintenance Is Housing Policy

Preserving the housing we already have should include repairs that keep a home safe and habitable.

Eligible work could include roof replacement, electrical repairs, plumbing repairs, foundations, structural repairs, heating and cooling systems, water heater replacement, windows, insulation, sewer lateral work, septic repairs, accessibility improvements, and other serious deferred maintenance.

This does two things at once. It preserves the housing unit, and it helps existing residents remain in their homes.

8. Water Savings Must Be Part of Housing Policy

Utah housing policy cannot be separated from Utah water policy.

Participating properties should receive an appropriate water assessment. Eligible improvements could include high efficiency toilets, low flow fixtures, efficient appliances, leak detection, smart irrigation controllers, drip irrigation, appropriate landscape conversion, pressure regulation, leaking plumbing repairs, and other measurable conservation improvements.

Do not use drinking quality water where drinking quality water is not needed.

9. Purple Pipe and Reclaimed Water Readiness

Some Utah communities are developing or considering reclaimed water systems. Housing being substantially rehabilitated should be evaluated for reclaimed water readiness where such infrastructure exists or is reasonably anticipated.

That may include separate irrigation plumbing or other appropriate nonpotable infrastructure.

Purple pipe cannot become a political slogan that ignores public health. Utah's water reuse rules require approvals and permits for covered water reuse projects. Any retrofit program must maintain strict cross connection protection and comply with drinking water, plumbing, utility, and water quality requirements. [6]

10. Accessory Dwelling Units

ADUs are central to this proposal.

Current Utah law allows municipalities and counties to prohibit rental of internal ADUs for periods of less than 30 consecutive days. That provides a useful floor for a program specifically intended to create long term housing. [2]

A homeowner participating in the Home Preservation Compact should be able, where otherwise lawful and physically appropriate, to create or maintain an ADU.

Public assistance could help with conversion of existing space, construction, plumbing, electrical work, fire separation, accessibility, utility upgrades, water efficiency, or rehabilitation of an existing ADU.

A publicly supported ADU should add housing, not hotel inventory.

The ADU could house a long term tenant, adult child, aging parent, relative, caregiver, or another lawful long term resident. Program rules should protect both the primary residence and publicly supported ADU from conversion to short term lodging.

11. Aging in Place

This program can also function as an aging policy.

Many older Utahns live in homes that are too large for their current needs but are surrounded by the neighborhood, church, friends, medical providers, and community they know.

An ADU can create another option. A homeowner could potentially move into a smaller accessible unit on the same property and rent the larger dwelling long term, or an adult child or caregiver could occupy the ADU.

Accessibility retrofits can help people remain safely in their communities while creating more flexible use of existing housing.

12. Self Help Housing

Utah should expand self help housing as a pathway to ownership.

USDA Rural Development currently operates a Mutual Self Help Housing Technical Assistance Grant program in Utah. Qualified organizations supervise groups of low income and very low income households who contribute substantial construction labor toward one another's homes. [3]

Utah should build on that model instead of reinventing it.

Self help should also include rehabilitation where appropriate. Participating owners could contribute approved sweat equity, while licensed professionals perform work that legally requires professional licensing, specialized training, or permits.

If people are willing to help build their future, public policy should help create a lawful path for them to do it.

13. Permanent Neighborhoods

Preservation alone will not meet every housing need. Utah will continue building. The question is what we build.

A Permanent Neighborhood would be established from the beginning with long term residential use as part of its design.

It could contain market rate homes restricted against short term lodging, income restricted homes, self help homes, community land trust properties, long term rental homes, ADUs, senior housing, and other residential forms.

The objective would not be to build a concentrated low income project. The objective would be a mixed community where the common promise is simple: the homes remain homes.

14. Public Money Should Buy Public Value

The public often helps housing projects through land, infrastructure, grants, fee reductions, financing, utility improvements, water infrastructure, roads, or direct appropriations.

When substantial public support is involved, the agreement should clearly answer a basic question: What did taxpayers buy?

If taxpayers helped create an attainable home, how long does it remain attainable? If taxpayers paid for an ADU, can it become a vacation rental next year? If taxpayers rehabilitated a house, will it remain residential housing? If taxpayers funded water conservation, was water actually saved?

Government should not repeatedly pay to solve the same problem because previous subsidies disappeared into the market.

15. The Seen and the Unseen

A ribbon cutting is visible. A grant announcement is visible. The number of units approved is visible.

What happens twenty years later is less visible.

If subsidized units disappear from the permanent housing supply, the original public expenditure did not buy what people thought it bought.

Good policy must account for both the seen and the unseen.

16. Local Control

Moab is not Park City. Park City is not Heber. Heber is not Duchesne. Duchesne is not Vernal.

Utah should not write one rigid neighborhood plan and impose it on every community.

The state's role should be to establish constitutional authority, funding tools, minimum standards, transparency, and accountability. Local governments should decide how to participate based on local housing markets, water supplies, infrastructure, tourism pressures, workforce needs, and community plans.

The state provides the toolbox. The community decides whether to use it. The homeowner decides whether to enter the Compact.

17. No Forced Taking Disguised as Housing Policy

The distinction between an incentive and an exaction matters.

An existing homeowner seeking an ordinary permit should not automatically be forced to surrender a separate property right unrelated to the impact of the permit.

In Sheetz v. County of El Dorado, the United States Supreme Court held that the Takings Clause does not distinguish between legislative and administrative permit conditions. The decision does not resolve every question that could arise under this proposal, but it reinforces the need to design the existing homeowner program as a genuine voluntary exchange rather than a disguised permit condition. [4]

A homeowner who declines the Compact should simply decline the optional benefits. There should be no punitive retaliation for saying no.

18. Permanent Means Writing the Law Correctly

Calling a deed restriction permanent does not automatically make it legally permanent.

Utah's Marketable Record Title Act uses a 40 year framework and includes mechanisms governing preservation of older property interests and use restrictions. [5]

Enabling legislation should address recording, preservation notices if needed, chain of title, enforcement rights, succession, inheritance, sale, mortgage lending, foreclosure, tax sale, condemnation, destruction, rebuilding, hardship, and any release mechanism.

If Utah wants to purchase permanence, Utah should write a title system capable of preserving permanence.

19. Funding Without Starting With a New Tax

Housing policy frequently begins by asking what new revenue source can be created. That should not be the first question.

The first question should be: What are we already spending?

Utah and the federal government already operate programs involving housing, rehabilitation, infrastructure, water conservation, energy efficiency, rural development, hazard mitigation, community development, and homeownership.

The Compact should attempt to braid compatible existing funding before creating a new bureaucracy or proposing a new broad based tax.

20. Public Funding Levels Should Match Public Benefit

Not every participant should receive the same amount.

A homeowner who agrees only to prohibit short term lodging might receive one level of benefit. A homeowner who also completes major water conservation work might qualify for more. A homeowner who creates a long term ADU might qualify for additional support. A household accepting affordability restrictions might receive substantially more.

Valuation matters. Government should not overpay for a restriction, and it should not expect a homeowner to surrender substantial property value for a token grant.

21. Water and Infrastructure Before Growth

Housing requires water, sewer or septic capacity, roads, electricity, fire protection, law enforcement, schools, emergency medical services, and transportation.

Housing policy should reward efficient use of existing infrastructure where appropriate.

Adding an ADU on a properly served existing property can sometimes create another home with comparatively little new land consumption, but real constraints still matter.

Infrastructure first means exactly that: do not promise housing capacity that the underlying systems cannot support.

22. Tourism Depends on Workforce Stability

Tourism depends on people.

Hotels, restaurants, ski areas, stores, public safety agencies, utilities, hospitals, and visitor services all require workers.

When workers cannot live anywhere near the tourism economy they support, the system becomes increasingly fragile.

Housing is therefore not merely a social policy question. It is economic infrastructure.

23. Protecting Homeowner Equity

A housing program should not solve affordability by preventing ordinary families from ever benefiting financially from homeownership.

That is why Tier One should generally preserve market appreciation.

Where a homeowner accepts a larger affordability subsidy under Tier Two, reasonable resale restrictions may be appropriate, but the policy should still provide a meaningful pathway to equity.

The next family needs an attainable house. The current family needs an opportunity to move forward financially. Both matter.

24. Safeguards Against Abuse

The Compact should include clear enforcement and due process.

Possible tools include recorded covenants, periodic certifications, rental registration where applicable, auditing of publicly funded ADUs, repayment provisions for intentional fraud, proportionate penalties, notice and opportunity to cure, and appeal rights.

Enforcement should distinguish between deliberate conversion of a publicly supported property into tourist lodging and an innocent technical violation.

25. Pilot First, Measure Everything

Utah should test this approach before attempting statewide expansion.

A pilot should include different housing markets, ideally a major resort community, a tourism dependent community, a rapidly growing community, and a rural community.

Data should be public. Programs that work should expand. Programs that do not work should change or end.

Suggested pilot measures

- Homes enrolled and participation rate
- Public cost per preserved home
- Estimated value of restrictions acquired
- ADUs created and long term rentals added
- Self help homes completed
- Water and energy savings
- Deferred maintenance corrected
- Residents able to age in place
- Private matching investment
- Property resale and appreciation outcomes
- Covenant compliance and enforcement costs
- Infrastructure capacity preserved or more efficiently used

26. Constitutional and Legal Review Before Legislation

Before final statutory language is introduced, Utah Legislative General Counsel should review the constitutional, title, tax, housing, lending, water, and local government issues identified in this paper.

The purpose of that review is not to find an excuse not to act. It is to write legislation that survives.

- Utah Constitution Article I, Sections 7, 22, 24, and 27
- Fifth and Fourteenth Amendments to the United States Constitution
- Takings, unconstitutional conditions, and land use exaction doctrine
- Municipal and county land use authority and state preemption
- Internal and detached ADU regulation
- Short term rental authority
- Contract and restrictive covenant law
- Utah Marketable Record Title Act
- Mortgage priority, foreclosure, inheritance, and tax sale
- Public purpose limits on government expenditures and lending of public credit
- Property tax consequences
- Fair housing law
- Water reuse, drinking water, plumbing, and cross connection requirements
- Building and fire codes
- Enforcement, due process, and appeals

27. What This Proposal Does Not Do

- It does not ban tourism.
- It does not ban every short term rental statewide.
- It does not force existing homeowners into deed restrictions.
- It does not eliminate market rate housing.
- It does not require every homeowner to build an ADU.
- It does not require every community to use the same housing model.
- It does not require every deed restricted property to have a resale price cap.
- It does not treat property rights as an obstacle.
- It does not begin by demanding a new broad based tax.
- It does not pretend that endlessly building outward is the only answer.

28. What It Does

- Preserves existing homes.
- Repairs aging housing and deferred maintenance.
- Reduces water waste.
- Prepares appropriate properties for reclaimed water.
- Creates long term ADUs.
- Supports aging in place and multigenerational households.
- Creates paths to homeownership through self help housing.
- Protects taxpayer investment.
- Gives communities another tool to preserve permanent neighborhoods.
- Respects the owner's right to say no.

Conclusion

I grew up in Moab before it became the tourism destination people know today. I watched a community change. I also grew up in Heber City, another community confronting enormous growth and housing pressures.

Those experiences taught me something that cannot be learned by counting building permits.

Once a community begins losing its permanent housing stock, replacing it is extraordinarily difficult and expensive.

We should preserve what we have. Repair it. Make it use less water. Make it less expensive to operate. Prepare it for reclaimed water where appropriate. Build an ADU where the property can support one. Help older residents stay. Help working families build equity. Help people build their own homes. And when we construct new neighborhoods with public support, make sure those neighborhoods are still neighborhoods decades from now.

The Home Preservation Compact is built on a straightforward bargain.

You give the community permanence. The community gives you real value in return.

No confiscation. No bait and switch. No pretending property rights do not matter.

Just a voluntary agreement between a homeowner and a community that both have something worth protecting: the home, the neighborhood, the water, the taxpayer's investment, and the ability of ordinary people to continue living in the communities they serve.

That is what I mean by Stability by Design.

Preserve first. Retrofit second. Add housing where it fits. Build new where necessary. Water and infrastructure first. Protect property rights. Build permanence into the bargain.

The Six Question Policy Test

Does it preserve housing?
Does it respect private property rights?
Does the homeowner participate voluntarily?
Does it lower long term household or infrastructure costs?
Does it use water more responsibly?
Does the public benefit last?

Primary Sources and Legal Anchors

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Utah Legislature
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Publication Note

Edition date: August 10, 2026

Author: Annette McRae, candidate for Utah State Senate District 20

Purpose: Candidate policy development, public discussion, legislative development, and campaign communication.

Campaign disclosure: Paid for by Annette for Utah.