



Municipality of Anchorage
Development Services Department
Memorandum



Date: August 15, 2025
To: Mayor Suzanne LaFrance
From: *Daniel King*, Engineering Services Manager – Development Services Department
Daniel Mckenna-Foster, Long Range Planning Manager – Planning Department
Through: *Greg Soule*, Director of Development Services
Mélisa Babb, Director of Planning
Subject: Accessory Dwelling Units and Relocatable Dwelling Units

PZC Case 2025-0045 will soon be presented to the Assembly as an Assembly Ordinance (AO). **The AO proposes expanding flexibility for the use of mobile, manufactured, and modular/stick-built housing—collectively reclassified as "relocatable dwelling units" (RDUs).** This proposal also seeks to:

- provide greater flexibility for rehabilitating these types of homes within areas currently designated as manufactured housing communities or mobile home parks, and
- permit RDUs in all zoning districts, provided they are installed on a permanent foundation, effectively aligning Title 21 (zoning code) with what is already permitted in Title 23 (building code).

Additionally, this AO would have allowed RDUs to be used as accessory dwelling units (ADUs) without a permanent foundation; **we do not recommend that foundationless ADUs be allowed at this time due to the number of inconsistencies this would create with building code and property appraisal that have yet to be addressed.** The following points outline the reasoning behind this recommendation.

1. Building Code Adjustments for ADUs Without Permanent Foundations:

- Building code only allows RDUs without permanent foundations in manufactured housing communities (mobile home parks). The original language in the adopted 2018 International Residential Code (IRC) requires all residential structures, whether regular dwelling units or manufactured housing, to have permanent foundations.
- The Municipality has made an exception to the requirement for a permanent foundation in the IRC for mobile home parks, recognizing the critical nature of the use which is not reflected for other locations. The Municipality does not make an exception to IRC requirement for a foundation for any other type of dwelling unit, including ADUs.
- Allowing ADUs without foundations in zoning code would create a discrepancy between Title 21 and Title 23.

2. Other Differences Between ADUs and RDUs:

- Dimensional constraints in Title 21 for ADUs are different from those that exist in Title 23 for RDUs.
 1. ADUs may be two stories; RDUs are limited to one story in building code.
 2. ADUs can have varied shapes; RDUs must be limited to approximately 14 feet in width to allow for transport via truck.
 3. ADUs range from 900 to 1,200 square feet depending on the size of the primary dwelling. RDUs are dimensionally constrained but typically range from 840 square feet (single-wide) to 1,680 square feet (double-wide).

- An RDU would not be eligible to become an attached ADU (an ADU attached to the main structure) without a permanent foundation, since design and permitting would require the addition have the same foundation type as the existing structure.

3. HUD considerations:

- Title 23 is proposing policy changes to allow some non-HUD certified construction in mobile home parks without permanent foundations as RDUs which would align with the limits of HUD certified construction.
- While the RDUs are currently being considered for exception for mobile home parks, it is intended to align with the limitations of HUD certified structures. Alternative limits would need to be considered for longer term use.

4. Considerations Regarding Allowances for ADUs Without Permanent Foundations:

- Prior to an update to Title 23, any additional allowances for RDUs as ADUs would need to be vetted by structural and geotechnical engineers (through our existing Building Board and Geotechnical Advisory Commission) to limit the potential damage this could cause to permanent infrastructure, such as poor performance in earthquakes and structural instability due to differential ground movement.
- Detached ADUs would need to be categorized as either permanently installed or non-permanent in order for building review to occur and proper documentation can be completed. There is currently nothing in place for us to allow this change and it would cause confusion on enforcement without further analysis and planning.
- **Clarification for Property Appraisal and Lending:**
 1. ADUs without permanent foundations could be relocated readily, which means they would have a transitory value to the lot. Property appraisal has expressed concerns being able to identify and to value these types of structures accurately.
 2. Many lenders do not provide loans for new dwellings without permanent foundations. The few that do would require additional downpayment and a higher interest rate and shorter loan term. There is potential for housing without permanent foundations being built could prevent the sale of a lot if the lender refused to lend on the value of the RDU.
 3. Additional time is required to work with property appraisal to determine how these would be valued and to work with lenders to determine if this is a viable option for the development of residential lots.
- **Demolition of Primary Dwelling Units:**
 1. An ADU with a foundation can transition to a primary use as a residential dwelling upon the removal or destruction of the original primary dwelling because it has a foundation. However, if an RDU without a permanent foundation were in use as an ADU, both building and zoning code would require that the owner either provide a permanent foundation to be constructed under the RDU/ADU before demolition of the primary structure or the RDU/ADU would have to be removed.
 2. The requirement for primary dwelling units to have permanent foundations has not been modified. More time should be allowed to determine if primary dwellings without permanent foundations should be allowed as well; this would happen when this was taken to the Building Board and Geotechnical Advisory Commission.
 3. Similar issues exist if the structure was later changed to a duplex or other type of construction, which could require retroactive installation of permanent foundations.

Policy Recommendation: If the intent is to permit movable dwellings alongside those with permanent foundations, the MOA should establish separate guidelines for truly relocatable units in all proposed zones. The guidelines for RDUs should be distinct from those governing permanent structures, under which ADUs are regulated. **We support removing the language in the original ordinance that would have allowed for RDUs to be a permitted accessory use as an ADU under Title 21.**