See red-lined S version of AO below.

Our amendments support the intent for ADUs to fulfill the need for resident housing (not Short Term Rentals), neighborhood stability, and homeownership.

The RCCC is concerned that the proposed ordinance will:

- decrease, not increase, affordable resident housing. The regulations would allow conversion of both principal and accessory dwellings to short-term rentals, which is the highest return on investment in central neighborhoods such as Downtown and Midtown. This will reduce the supply of longer-term rentals for residents, and also exacerbate rental rates.

- alter the intent for ADUs to supply more resident housing by removing the Intent and Purpose statements that speak to the need for resident housing.

- decrease neighborhood stability. The proposed abandonment of the homeowner occupancy requirement will cause higher neighborhood transience and will remove an important economic tool to assist residents in building equity. Transience has negative effects on the neighborhood and on the entire community through loss of social capital and individual economic opportunity. Homeowners occupy their homes for 13 years on average, compared to less than six years for renters of detached homes. Among renters, 25 percent stay for less than 12 months. (national averages)

- removes a powerful support for home ownership. Assigning the ADU opportunity to homeowners boosts homeownership as well as rental supply. Home ownership is increasingly out of reach for the workforce and those on fixed incomes. Commercial property managers have high tenancy rates and do not need an economic edge. State and local governments give various economic opportunities to small-scale businesses and to residents (such as in the distribution of Alaska fishing quotas)

- fail to supply smaller and more affordable resident housing, because of the larger size allowances. Rents are correlated to square footage. Smaller units are cheaper to build and also to rent.

- detract from solar access and privacy in existing neighborhoods, by expanding the square footage and height and reducing setbacks.

- create random pockets of high density, rather than following the 2040 Land Use Plan of targeted infill where there is public investment in infrastructure and services.

- avoid following the-process proscribed in Title 21 for future rezoning efforts

- and impact-planning and funding for infrastructure and services by not calculating ADUs in housing stock and density calculations, and therefore not planning for neighborhoods’ infrastructure needs.

These concerns are further explained in RCCC’s 5-page comments, Aug 31, 2022, and resolution by Rogers Park Community Council submitted to the Planning and Zoning Commission.
WHEREAS, Goal 4 of the 2040 Land Use Plan (LUP) calls for neighborhoods to provide a range of places to live and meet the housing needs of residents at all income levels, household sizes, interests, ages, abilities, and races and ethnicities; and

WHEREAS, the 2040 LUP encourages 1,000 new Accessory Dwelling Units (ADUs) in the Bowl by 2040; and

WHEREAS, 2040 LUP policy 4.2 allows for and encourages innovative compact housing types and a variety of housing options that respond to changing preferences; and

WHEREAS, 2040 LUP Action 4-7 states an amendment to Title 21 is needed to ease restrictions that deter the construction of ADUs; and

WHEREAS, building permits since the most recent changes to Accessory Dwelling Unit zoning regulations in 2018 do not indicate substantial increases in the number of ADUs produced; and

WHEREAS the intent of ADUs is to increase resident housing; and not to contribute to the supply of Short Term Rentals;

WHEREAS the city benefits from supporting homeownership and homeowner investment, which reduces the transience in neighborhoods and builds social capital as well as personal capital,

WHEREAS increasing density of housing adds value if done incrementally, with attention to building scale, and apace with increased infrastructure and public services; and

WHEREAS there is a continued need for more affordable resident housing and for small housing units for small households;

WHEREAS, between 2021 and 2022, the Planning Department has conducted outreach, hosted a work group, and conducted a survey of community councils on perceived obstacles within the zoning code and developed a proposal to address needed changes to improve ADU production...
availability for resident housing while also supporting homeownership and the stability and character of neighborhoods; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code 21.05.070 is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

21.05.070 Accessory Uses and Structures

*** *** ***

D. Definitions and Use-Specific Standards for Allowed Accessory Uses and Structures. This section defines the accessory uses listed in table 21.05-3 and also contains use-specific standards that apply to those uses. Accessory uses shall comply with the applicable use-specific standards in this subsection, in addition to complying with the general standards in subsection B.

1. Accessory Dwelling Unit (ADU).

   a. Definition. A subordinate dwelling unit added to, created within, or detached from a detached single-family or two-family dwelling which provides basic requirements for living, sleeping, cooking, and sanitation. The unit may have a separate exterior entrance or an entrance to an internal common area accessible to the outside.

   b. Use-specific Standards.

      i. Purpose and Intent. The purpose and intent of this section is to:

         (A) Fulfill housing policy #15 of Anchorage 2020: Anchorage Bowl Comprehensive Plan, which provides that accessory housing units shall be allowed in certain residential zones;

         (B) (RETAINTHISPURPOSE) provide a means for homeowners, particularly the elderly, single parents, and families with grown children, to remain in their homes and neighborhoods, and obtain extra income, security, companionship, and services;

         (B) Allow more efficient and flexible use of existing housing stock, land supply, and infrastructure;
[(D) \textit{(RETAIN THIS PURPOSE)} respond to changing family needs and smaller households by providing a mix of housing;

(E) \textit{(RETAIN THIS PURPOSE)} improve the affordability of homeownership and enhance property values through long-term rental income opportunity;

(F) \textit{(RETAIN THIS PURPOSE)} provide a broader range of accessible and more affordable housing within the municipality; and

(G) \textit{(RETAIN THIS PURPOSE)} protect neighborhood stability, property values, and character by ensuring that ADUs are installed under the provisions of this title.]

ii. \textit{Application, Review, and Approval Procedures}

(A) Any landowner operating or seeking to establish an ADU shall obtain a building or land use permit from the Development Services Department. The permit shall constitute an ADU permit.

[[B] WITH THE PERMIT APPLICATION, THE LANDOWNER SHALL SUBMIT AN AFFIDAVIT ON A FORM PROVIDED BY THE MUNICIPALITY, AFFIRMING THAT AT LEAST ONE LANDOWNER WILL OCCUPY THE PRINCIPAL DWELLING OR THE ACCESSORY UNIT, AND THAT THE ADU WILL CONFORM TO THE REQUIREMENTS OF THE PERMIT AND THE REQUIREMENTS OF THIS SECTION. ANY OTHER RESTRICTIONS OR OBLIGATIONS RELATED TO THE ADU USE AND REQUIRED TO BE RECORDED SHALL BE INCLUDED IN THE AFFIDAVIT.

For purposes of securing financing, potential landowners may request and receive a letter of pre-approval from the municipality indicating the property is eligible for an ADU permit if the potential landowner completes the application process and construction in accordance with this section.

iii. **Requirements.** All ADUs shall meet the following requirements:

[(A) **RETAIN THIS PURPOSE:** requirements for accessory dwelling units address the following purposes:

(1) ensure that accessory dwelling units are smaller in size than the principal dwelling on the lot, and preserve underlying lot coverage limits;

(2) MINIMIZE NEGATIVE IMPACTS TO ON-STREET PARKING IF ALLOWED BY THE TRAFFIC ENGINEER, AND MINIMIZE THE AMOUNT OF PAVED SURFACE ON A SITE; AND

(3) PROVIDE CLEAR AND FLEXIBLE STANDARDS THAT MAKE IT PRACTICAL AND ECONOMICAL TO DEVELOP ACCESSORY DWELLING UNITS THAT ARE IN COMPLIANCE WITH THIS CODE.]

[(B) **Allowed Zoning Districts.** ADUs are allowed in all residential zoning districts.

(C) **Requirements for Developing an ADU.**

(1) **One Principal Structure.** One ADU may be added to or created within a DETACHED SINGLE FAMILY DWELLING ON A LOT, TRACT, OR PARCEL, BUT ONLY IF THE DETACHED SINGLE-FAMILY DWELLING IS THE SOLE PRINCIPAL STRUCTURE ON THAT LOT, TRACT, OR PARCEL.]
(2) *Detached ADU.* One ADU detached from a single-family or two-family dwelling is permitted on a lot, tract, or parcel in all residential zoning districts.

(3) *Lot Coverage.* The lot coverage of the principal dwelling unit and all accessory structures combined, including but not limited to the ADU, shall be less than or equal to the maximum lot coverage allowed by the zoning district.

**SOMETHING IS WRONG WITH THE FORMATTING IN THE NEXT ITEM, ITEM 4**

(4) *RETAINTHIS CONDITION USES.* The landowner shall reside in either the principal dwelling unit or the ADU as his or her primary residence for at least six months of each year.]

*Building Code Requirements.* All ADUs shall be built to the adopted municipal building code standards.

(5) *Size.* ADUs shall be subordinate in size to the primary structure on the lot. The gross floor area of the ADU, not including any related garage, shall be up to 900 square feet or 40 percent of the total gross floor area of the principal dwelling unit (excluding the ADU and garages), whichever is greater.

[(A) IN CLASS A DISTRICTS, THE GROSS FLOOR AREA OF THE ADU, NOT INCLUDING ANY RELATED GARAGE, SHALL BE NO GREATER THAN 900 SQUARE FEET OR 75 PERCENT OF THE TOTAL GROSS FLOOR AREA OF THE PRINCIPAL DWELLING UNIT (EXCLUDING THE ADU AND GARAGES), WHICHEVER IS LESS.

(B) IN CLASS B DISTRICTS, THE GROSS FLOOR AREA OF THE ADU, NOT INCLUDING ANY RELATED GARAGE, SHALL BE NO GREATER THAN 900 SQUARE FEET OR 35 PERCENT OF THE TOTAL GROSS FLOOR AREA OF THE PRINCIPAL DWELLING UNIT.
(EXCLUDING THE ADU AND GARAGES), WHICHEVER IS GREATER.

(C) THE ADU SHALL HAVE NO MORE THAN TWO BEDROOMS.]

(6) Setbacks. [AN ADU SHALL NOT ENCROACH INTO ANY REQUIRED SETBACK, EXCEPT THAT ADUs are subject to the same setbacks of the underlying zone except that an ADU may encroach into the side or rear setback abutting an alley.[ DETACHED ACCESSORY UNITS TALLER THAN 15 FEET SHALL ADHERE TO A 10-FOOT SIDE SETBACK ABUTTING A NEIGHBORING R-1 OR R-1A LOT.]

(7) PARKING. ONE PARKING SPACE IN ADDITION TO THE PARKING SPACES REQUIRED FOR THE PRINCIPAL DWELLING UNIT IS REQUIRED FOR THE ACCESSORY DWELLING UNIT; BUT IN NO EVENT SHALL THERE BE FEWER THAN THREE PARKING SPACES PER LOT. THE ADDITIONAL PARKING SPACE REQUIRED FOR THE ADU MAY BE ON THE PARENT LOT OR ON-STREET WHEN APPROVED BY THE MUNICIPAL TRAFFIC ENGINEER AS PROVIDED IN SUBSECTION 21.07.090F.19. NOTWITHSTANDING THE PROVISIONS OF CHAPTER 21.13, NONCONFORMITIES, ALL OFF-STREET PARKING DEFICIENCIES SHALL BE CORRECTED. EXCEPTIONS:

(A) NO ADDITIONAL PARKING SHALL BE REQUIRED FOR THE ACCESSORY DWELLING UNIT IF THE LANDOWNER OF THE REAL PROPERTY EXECUTES A COVENANT, INCLUDED AS A PROVISION IN THE AFFIDAVIT REQUIRED FOR THE ADU PERMIT ON A FORM PROVIDED BY THE MUNICIPALITY, THAT PROHIBITS THE PERSON OCCUPYING AND RESIDING IN THE ADU FROM
OWNING, LEASING, OR HAVING A RIGHT TO USE A MOTOR VEHICLE; EXCEPT THE PERSON MAY OWN OR LEASE A MOTOR VEHICLE THAT IS NOT INTENDED FOR USE BY THE PERSON OCCUPYING AND RESIDING IN THE ADU AND NOT REGULARLY PARKED AT THE SITE. THE COVENANT SHALL INCLUDE AN AGREEMENT BY THE LANDOWNER TO REQUIRE ANY LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT WITH THE TENANT OF THE ADU TO INCLUDE THE PROHIBITION, WITH THE RIGHT OF EVICTION IF SUCH PERSON ACQUIRES ONE. FOR PURPOSES OF THIS SECTION, A "MOTOR VEHICLE" IS A SELF-PROPELLED VEHICLE DESIGNED TO TRAVEL ON THREE OR MORE WHEELS IN CONTACT WITH THE GROUND.

(8) Design and Appearance.

(A) The construction of an additional entry door on the side of a principal structure facing a street for entrance into an accessory dwelling unit is prohibited, unless no other entry door already exists on that side. Entrances are permitted on non-street-facing sides of the principal structure. Detached ADUs are exempt from this standard.

Utilities. To the extent allowed by law and utility tariff, the ADU shall be connected to the water, sewer, gas, and electric utilities of the single family dwelling unit. However, lots with on-site water or septic systems may have a separate water and/or septic system for the ADU.

(D) Additional Requirements for Detached ADUs
(1) [retain this condition] the adu shall, on all street frontages, either have a front setback of at least 40 feet, or be at least 10 feet behind the street facing façade of the principal dwelling unit.

(2) [retain this condition] the maximum height of a detached adu shall be 25 feet.

(C) Height. ADUs shall be subject to the same height limits as the principal structure on the lot.

(D[E]) Density. ADUs are not included in the density calculations for a site. ADUS are also included in the calculations of housing stocks and for determining levels of infrastructure and public services.

(E[F]) Expiration of Approval of an ADU. Approval of an ADU expires when:

(1) The ADU is altered and is no longer in conformance with this code;

[(2) THE PROPERTY CEASES TO MAINTAIN ALL REQUIRED PARKING SPACES;]

(3) [RETAIN THIS CONDITION] a landowner of the property does not reside in either the principal or the accessory dwelling unit; or]

(2[4]) The ADU is abandoned by the landowner through written notification to the municipality on a form provided by the municipality.

[(G) [RETAIN THIS CONDITION] transfer. when a property with an adu is sold or otherwise transferred, the new landowner shall file an affidavit of owner-occupancy with the department within 30 days of the transfer, and pay a processing fee. failure to file an affidavit by the due date constitutes failure to have a permit, in violation of this section. transfers from one landowner to another landowner do not require a new affidavit so long as the recipient landowner signed the original affidavit.]
Prior Illegal Use.

(1) All structures which meet the definition of accessory dwelling unit which are not recognized as legal nonconforming structures or uses of structures under chapter 21.13 shall comply with this subsection. Such structures may continue in existence provided the following requirements are met:

(a) A permit application for an ADU is submitted to the building safety division within six months of the effective date of this ordinance.

(b) The unit complies with the requirements of this section.

(2) If the unit does not comply with the requirements of this section at the time the permit application is filed, the building official may grant six months to bring the unit into conformance.

(3) In addition to any other remedies provided in this code, failure to legalize an existing unit under this subsection shall result in civil penalties as provided at AMC section 14.60.030.

(4) This subsection does not apply to existing legal nonconforming uses of structures established pursuant to chapter 21.13.

Section 2. Anchorage Municipal Code 21.10.050 is hereby amended to read as follows (the remainder of the section is not affected and therefore not set out):

21.10.050 USE REGULATIONS
H. Accessory Uses and Use-Specific Standards.

Except for those uses listed below, see section 21.05.070. For those uses listed below, the use-specific standards or applicable portions of such standards of this chapter shall apply instead of the use-specific standards of chapter 21.05.

1. Accessory Dwelling Unit (ADU).
   a. Size. The gross floor area of an ADU, not including any related garage, shall be up to 1,000 square feet or 40% of the total gross floor area of the principal dwelling unit, whichever is larger.

[I. DETACHED ADUS ON LOTS OF ONE ACRE OR MORE SHALL HAVE A MAXIMUM GROSS FLOOR AREA OF 1,000 SQUARE FEET. (AMENDS SUBSECTION 21.05.070D.1.B.III.(C).(6).(A).)

II. NOTWITHSTANDING SUBSECTION 1.A. ABOVE, THE GROSS FLOOR AREA OF AN ADU (EXCLUDING A GARAGE) SHALL NOT EXCEED 40 PERCENT OF THE GROSS FLOOR AREA OF THE PRINCIPAL DWELLING (EXCLUDING ANY GARAGE). (REPLACES SUBSECTION 21.05.070D.1.B.III.(C).(6).(B)).]

Section 3. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _______ day of _______________, 2022.

________________________________
Chair of the Assembly

ATTEST:

________________________________
Municipal Clerk

(Planning and Zoning Commission Case No. 2022-0090)