

MEMORANDUM

TO: Ordinance Revision Committee (ORC)
FROM: Planning Staff
DATE: February 19, 2021
SUBJECT: Revisiting Accessory Dwelling Units, potential for text amendments.

Ann Arbor's Planning Commission is considering amending the Accessory Dwelling Unit (ADU) Ordinance and proposed changes were presented at the February 9, 2021 City Planning Commission Working Session (WS).

The Planning Commission and public raised several questions at the WS Meeting. Responses to these questions are provided below.

- Does an ADU water connection send you into a higher water tier payment?
Response: Adding an ADU will not change the tiers. All residential locations regardless of an ADU or not are charged based on a tier structure. ADU's do not need a separate meter, regardless if it's a detached unit. However, the water that is used in the ADU will be metered and charged from the meter in the main house. Which means, they will not really have any idea what the ADU's portion of the water bill since it won't be metered.
- What are the property tax implications of adding an ADU?
Response: The PRE (Primary Residence Exemption) is based on the percentage occupied by the owner, the unit would be assessed similar as a 2-family rental. Adding for extra finish and kitchens.
- How many residential sites would be eligible for ADU's with the proposed changes allowing for R2, R3, and R4 zoning districts?
Response: Please refer to attached GIS Maps. In general, there are 17,661 R1 zoned properties in the City with 16,948 of these properties greater than 5,000 sq feet in lot size (15,217 are Homesteaded). There are 8,966 R2/R3/ & R4 Districts that are below the minimum lot size for multi-family development and likely candidates for an ADU.

Next Steps:

- ☐ Based on feedback from the working session, the most notable policy question was the requirement of a deed restriction and/or owner-occupancy requirement. Staff would appreciate feedback from the ORC on potential changes in these areas.
- ☐ Any other changes envisioned prior to the public hearing on March 2nd?

[R1A thru R1E GIS Map](#)
[R2A thru R4D GIS Map](#)