PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of March 2, 2021

SUBJECT: Amendments to Chapter 55 (Zoning), an Ordinance to Amend Section 5.15 (Table 5.15-2) and Section 5.16.6 of Chapter 55 (Unified Development Code) OF TITLE V OF THE CODE OF THE CITY OF ANN ARBOR related to Accessory Dwelling Units.

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission hereby recommends that the Mayor and City Council approve the amendments to Chapter 55 (Zoning), Section 5.15 (Table 5.15-2) and Section 5.16.6. Accessory Uses and Structures

STAFF RECOMMENDATION

Staff recommends that the proposed amendments to Chapter 55 (Zoning), Section 5.15 (Table 5.15-2) and Section 5.16.6. Accessory Uses and Structures be **approved** on finding that City ordinances provide for development of Accessory Dwelling Units to support sustainable and affordable housing.

BACKGROUND

On August 4, 2016, the City Council adopted Ordinance 16-16, which amended the Zoning Ordinance to convert Accessory Apartments into Accessory Dwelling Units and create additional standards regulating their placement in the City. A component of this ordinance was the establishment of ADUs as an Accessory use in the R1A through R1E, and R2A Zoning Districts.

To date, realization of such units in the City has been minimal (a total of 23 ADU's are either built or under Zoning review). In 2019, City Council directed the City Administrator and Planning Commission to consider amendments to the Unified Development Code to eliminate restrictions on detached ADUs, and to consider additional amendments to further the realization of such units.

Upon this direction, the Planning Commission Ordinance Revisions Committee and full Planning Commission, via Working Session discussion had assembled the following recommended amendments to the Unified Development Code. The amendments reflect the following changes to regulation of ADUs:

- Addition of more zoning districts where ADUs are allowed. The proposed amendments add the option to all residential zoning districts, excepting R6, Mobile Home Parks. The addition of ADUs to other zoning districts does not eliminate the requirement of any location being an owner-occupied single-family property.
- Amend the requirements that previously limited detached ADUs on those properties that had an existing accessory structure prior to December 31, 2016. The amendments allow a detached ADU in any legally conforming detached accessory structure.
- Removal of requirement that any new entrance be located on the side or rear of a structure.
- Removal of minimum 5,000 square feet lot size requirement.
- Reordering of the requirements into more logical groupings.

These proposed amendments were denied by City Council in 2019. In 2020, the Planning Commission identified reconsideration of the ADU provisions of the UDC as part of the Commission's work plan.

The Planning Commission held a working session on Accessory Dwelling Units February 9, 2021 to again review the updated draft ordinance language. These changes were presented to the ORC (Ordinance Revision Committee) on February 23, 2021. The proposed changes introduced in 2019 continued to be supported by the Planning Commission along with the following additions to the proposed amendments ADU's:

- Removal of additional parking requirements as the majority of proposed ADU's are within ¹/₄ mile of a bus stop.
- Removal of the requirement that the owner of the property resides on the property.
- Ensure the maximum occupancy is maintained.

FINDINGS

<u>Eligibility</u> – Planning Commission members asked staff about eligibility of ADU's in single-family and multiple owner-occupied lots in the City. Maps providing this information are attached. In summary, 15,203 out of 17,658 (86%) R1 zoned properties are homestead and 96% of these properties are greater than 5,000 sq. ft. Of the R2, R3 & R4 zoned properties below the minimum lot size (staff believes lots exceeding the minimum lot size could be developed at higher densities),4,414 out of 8,968 (49%) are homestead. Staff is gathering information on existing accessory structures in the City and if this information is available by the March 2, 2021 meeting, it will be presented.

<u>Comparisons to Other Cities</u> – Staff analyzed the owner occupancy requirement in a number of American cities that allow ADU's. The findings are described below:

- Seattle, WA: no owner occupancy requirement
- Portland, OR: no owner occupancy requirement
- Sacramento, CA: State of California prohibits owner occupancy requirement in the state through 2025
- Missoula, MT: owner occupancy requirement
- Bloomington, IN: owner occupancy requirement
- Madison, WI: owner must occupy either principle dwelling or ADU for at least 6 months per year
- Pittsburgh, PA: owner occupancy requirement

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Attachments: Parcels Zoned R1A Thru R1E Map Parcels zoned R2A Thru R4D Map Proposed Ordinance Amendments