

From: JACK CEDERQUIST <john_cederquist@comcast.net>
Sent: Monday, March 01, 2021 6:41 PM
To: Lenart, Brett <BLenart@a2gov.org>; Planning <Planning@a2gov.org>
Cc: Jack Cederquist <john_cederquist@comcast.net>
Subject: March 2 Planning meeting on ADUs

Dear Mr. Lenart, Planning Commission members and City staff,

I write to provide input to your March 2 meeting to consider proposed amendments to the existing Accessory Dwelling Unit Ordinance.

I oppose amendments that would remove the requirement that the property be owner occupied to qualify for an ADU, that would allow ADUs to be used as Short Term Rentals, and that would allow the renter of an ADU to sub-let their unit as an STR.

1. Removal of the owner occupied requirement will encourage investors not living in Ann Arbor to purchase properties, rent them and their ADUs, and displace current Ann Arbor homeowners (including, most importantly, lower income residents).
2. Allowing ADUs to be used as STRs removes those ADUs from the inventory of housing available to lower income individuals and families. This is counter to the stated goal of many on City Council, Commissions and staff to create more affordable housing.
3. Finally, allowing a renter of an ADU to sub-let and, in addition, to sub-let as an STR also reduces affordable housing inventory as well as, and perhaps of equal importance, creating the situation in which an owner occupied property that has opted for an ADU has lost control of a building on the owner's property.

Thank you for considering my comments.

Jack Cederquist

2145 Ardenne Drive, Ann Arbor 48105

Member, Orchard Hills - Maplewood Homeowners Association Board

From: Jeff Crockett <jeffcrockett8@gmail.com>
Sent: Monday, March 01, 2021 10:15 AM
To: Planning <Planning@a2gov.org>
Subject: Five ADU concerns for your consideration at the work session

Dear Members of the Planning Commission,

We have significant concerns about the proposed amendments you are considering at your March 2 meeting to Section 5.16.D that relate to Accessory Dwelling Units (ADUs). These changes are complex and require time for you and Ann Arbor citizens to thoroughly understand their impact on our community. We have read both documents and would appreciate your attention to the following concerns:

Concern 1: The Ordinance revision is confusing.

Consider the wording of D3:

“The total number of Persons residing in the primary Dwelling Unit and the ADU combined shall not exceed four Persons plus their Offspring the limits specified in Section 5.16.1.A, except:
a. That only two unrelated Persons plus their Offspring living as a single Housekeeping Unit may occupy the ADU; or When a Functional Family is allowed by Special Exception Use.”

Huh? This statement is profoundly obscure! How many people would know where to look to find Section 5.16.1.A referenced in this revision. Second, it refers to an exception “a” without noting what exception “b” or others would be. The result is that the reader has no idea what the impact of the change would be. This ordinance revision proposal needs to be re-written in clear, comprehensible, citizen-friendly language.

Concern 2: Enforcement

The ordinance revision calls for enforcement of the following:

- a.
- b. The number of unrelated
- c. people in an ADU.
- d.
- e.
- f. The total number of people
- g. in an ADU.
- h.
- i.
- j. Prohibition of leasing or
- k. rental of an ADU for less than 30 days.
- l.
- m.
- n. Inspection of ADUs.
- o.
- p.
- q. In the cases of Home Occupation
- r. of an ADU, there is a maximum of 10 Business-related vehicle trips.
- s.

Nowhere in the staff report is there any indication of how many enforcement staff will be needed to reasonably monitor and enforce these provisions. The presumption seems to be clear that the burden of monitoring and enforcement will be left to the neighborhoods. But, even with citizen complaints, it is unrealistic to assume that responses to violation alerts of the ADU ordinance can be done with existing staff. Consider also that we are facing a budget crisis and that it may be difficult to maintain existing staff levels. If we can't afford to increase the number of personnel needed to enforce the ADU ordinance, the people who lose significantly are those neighbors adjacent to ADUs who seek redress from the city on ADU violations. The absence of an enforcement provision in this ordinance revision suggests that this ADU ordinance will NOT be meaningfully enforced. The public deserves to know how many and who the enforcement staff will be in addition to the process for filing complaints.

Concern 3: Impact on Property Taxes and Fees for Utilities

Consequences of the ordinance as written will affect Ann Arbor citizens, residents, and property owners should be taken into consideration. Nowhere in this revision is there any explanation of what the impact of building an ADU would have on property taxes. Let's say that an ADU costs \$150,000 to build. How much would the assessed value of the property be increased? Would it be increased by the cost of construction or the improved value of the property to be determined by the Assessor? How would this new construction be impacted by the Headlee Amendment in regards to taxable value in future years? To our knowledge, the impact on property taxes of constructing an ADU has been absent from ADU discussions. We would think that people who may consider an ADU would want to have a clear idea as to the impact on property taxes because it would certainly impact its economic viability. Likewise, the potential impact of ADUs on basic utilities, which have skyrocketed, needs to be explained.

Concern 4: The Absence of an Owner Occupancy Requirement

The impact of the elimination of the owner-occupancy rule should not be understated. This opens the door to real estate investors and corporations to purchase single-family-owned property, convert housing into rental and then add an ADU to get more rental income. There have already been reports of the real estate investors offering cash with no contingencies to buy single-family homes and outbidding prospective owner-occupants. This trend makes it more difficult for middle-class folks who need a mortgage to become first-time home buyers.

Concern 5:

Who the ADU Ordinance Actually Benefits

As far as we can tell, the proponents for city wide ADUs **without an owner-occupancy requirement** argue that increased housing opportunities via ADUs would result in a larger housing supply leading to lower housing costs. In truth, the opposite has happened in Ann Arbor. As the number of market-rate housing units has been built, the cost of both rental and owner-occupied housing has steadily increased. No one really expects that newly constructed ADUs will be affordable to those with modest incomes. Furthermore, middle-class homeowners with mortgages will not be able to afford to build ADUs. The only people we expect who will be able to afford to build ADUs are wealthy individual homeowners, management companies, corporations, and rich real estate investors. Let us also be clear that the city will benefit from greater tax revenues. Consider this: If increased housing density leads to more affordability, then New York would be among the most affordable cities. Yet, its density has resulted in one of the least unaffordable cities in the United States. Therefore, we believe that the people who will benefit the MOST from this ADU revision in Ann Arbor are the wealthy 2%ers, including foreign investors.

In summary, we have identified five reasons why you need to take the ADU ordinance revision OFF the fast track. The vast majority of voters in Ann Arbor have no idea what impact this revision will

have on their neighborhoods. If this ordinance proceeds without credible citizen engagement, we would expect considerable voter blowback.

Thank you for your consideration,

Jeff and Christine Crockett

From: Dorothy Hastings <dhastngs@umich.edu>

Sent: Monday, March 01, 2021 9:35 AM

To: Lenart, Brett <BLenart@a2gov.org>

Subject: ADUs

I'd like to give some feedback on proposed changes. Primarily, I think this should proceed more slowly giving time to assess the impact of the first changes before enacting more. I favor holding back on the requirement for owner presence and parking requirements for now. I also favor having a weekly or monthly rental requirement to prevent "party houses" erupting around town. There are many retail places to stay in town for a night or two.

thank you,

Dorothy Hastings

Ann Arbor

From: Lucy Miller <portmiller@sbcglobal.net>

Sent: Monday, March 01, 2021 5:56 PM

To: Lenart, Brett <BLenart@a2gov.org>; Cheng, Christopher <CCheng@a2gov.org>

Subject: Accessory Dwelling Units

Dear Mr. Lenard, Mr. Cheng,

I was OK with the changes until I noticed that you want to change it so the owner does not to have to live there?

What is your thinking on this?

I am getting concerned that we are creating lots of opportunities for investors and others interested in making commodities out of our neighborhoods, and very few for people who just want to own their own living spaces(single or otherwise) and feel a part of their neighborhood.

We bought a house in the OWS in 1974 because we wanted to live in a diverse neighborhood. There were always renters, but rents were low, renters tended to live here for a long time, and few houses had those signs advertising the rental companies that manage them.

I actually resisted buying the house at the time, it seemed like a burden, but now can't imagine having paid all that rent, and not having had control of my living space.

Perhaps young people want different things than we did, but I suspect that what they will want at 35 will not be the same as what they wanted at 25.

Do hope all this works out in the end.

Lucy Miller
319 West Mosley

From: Edward Rice <edarice@gmail.com>
Sent: Monday, March 01, 2021 8:35 PM
To: Planning <Planning@a2gov.org>
Subject: ADUs

To Whom It May Concern,

My name is Ed Rice and I want to express my support for short term ADUs. I live at 2102 Dexter Ave. and I am considering building a carriage barn on my property. I am hesitant to rent a space out for a long term. However, due to the expense of construction it would be nice to having the ability to rent a space out for several weekends a year to help defray the cost.

Sincerely,

Ed Rice
734-604-8098

From: Brad Roney <bradroney28@yahoo.com>

Sent: Monday, March 01, 2021 7:10 PM

To: Planning <Planning@a2gov.org>; Lenart, Brett <BLenart@a2gov.org>; Cheng, Christopher <CCheng@a2gov.org>; Eyer, Jen <JEyer@a2gov.org>; Nelson, Elizabeth <ENelson@a2gov.org>; Taylor, Christopher (Mayor) <CTaylor@a2gov.org>

Subject: ADU Ordinance Feedback

To: City of Ann Arbor Planning Services

Re: Accessory Dwelling Units

I am writing to express my overall dissatisfaction with the current Detached Accessory Dwelling Unit (ADU) policy and the desire to consider further ordinance changes to support expansion of the program. The current ADU policy has the potential to destroy the sanctity, character, integrity and safety of the single family neighborhoods which are the cornerstone of the Ann Arbor community. The ADU policy was also developed with absolutely zero regard for existing neighbors and home owners who prefer not to turn their property into a rental unit.

I currently own a home in the Allmendinger Park area which is a nice single family neighborhood with a diverse blend of families, professionals and retirees. For the most part, people take care of their homes and invest in their property to improve value, appearance or living conditions. Unfortunately, the City's ADU program has the potential to turn my neighborhood into a plethora of dilapidated rental properties like the ones that exist east of State Street used for affordable off-campus student housing.

I happen to live right next door to one of the City's newest detached ADU's at 309 Potter Ave. I would like to share my perspective on the ADU next door and how it adheres to a few of the published guidelines below.

According to the City of Ann Arbor's ADU Guidebook (April, 2017) and the ADU Frequently Asked Questions document by the Office of Community & Economic Development, a detached ADU is described as meeting the following characteristics:

- A second smaller dwelling that should respect the look and scale of single-family neighborhood.
- Is not intended to change the appearance of primary residence or garage where they are located.
- Can be a maximum 600 sq-ft (for lots < 7,200 sq-ft) and cannot exceed 21 feet in height.
- Has two conforming parking spaces (not in front of house)
- One of two residences must be owner occupied and cannot be used as a short term rental less than 30 days.

The detached ADU next door is simply GIGANTIC! It is a 1,244 sq-ft carriage house structure (garage area and ADU) that stands at least 27 feet tall (roof peak to ground). Combined with the primary residence, there is now 3,122 sq-ft of structure on a small lot that simply does not respect the look and scale of the original homes in the neighborhood that are 900-1,400 sq-ft.

The ADU has outside stairs, a balcony, sliding glass doors, one car garage door and has a taller and wider foundation than the prior garage. It definitely no longer looks like the original two car gable roof garage and is not even used as a garage anymore. I would like to challenge the Planning Board or City Council to explain how this ADU "Respects the look and scale of my single family neighborhood" and how it did not "Change the appearance of the former garage" like the above guidelines clearly state.

The ADU requirement for having two conforming parking spaces should also be enforced and modified to limit the total vehicles registered or used at primary house and ADU. In my case, there are already four vehicles registered to the primary house with the potential for up to two more vehicles associated with the ADU. The potential to have six vehicles for a single residence is a bit excessive; especially given the fact we share a driveway and their garage is no longer used to store vehicles. The zoning board knowingly approved plans that fundamentally eliminated the "garage" from being used to store vehicles as the former cement driveway leading to old garage was removed to gain more permeable surface for expansion of the ADU building footprint.

The owner occupied and no short term rental less than 30 days guidelines are great. Unfortunately, the City puts the enforcement on the existing neighbors. In the age of multiple home rental APPS, there are already many homes or ADU's in the City being used for less than 30 days with no enforcement or penalties. If the City allows for \$150 fine for not shoveling the walk way, then maybe a \$1,000 per day fine for providing an illegal housing alternative would be appropriate.

My point is simple, don't approve policies for ADU's and not adhere to the letter of the law. On the surface, the above original guidelines probably sound acceptable on paper. In the case of the detached ADU next door, the execution and implementation are not aligned with the original published intent of the program guidelines.

The plan to offer affordable housing in Ann Arbor is noble idea, but it should not be forced to come at the expense of existing single family homeowners and neighborhoods. The current ADU policy also has absolutely zero consideration for the negative impact on the neighbor's property value or the safety of their families. Let's face it, no one really wants to buy a home next door to a rental unit with the potential to have a new stranger living next door every 30 days or less if current rules are not followed. Rental properties in general are not characteristics most people would find attractive when considering a home purchase in a single family neighborhood.

As a concerned resident I am against any proposal to further eliminate or change zoning requirements or ordinances that would facilitate expansion of the ADU program which will only destroy the sanctity, character, integrity and safety of the remaining single family neighborhoods in Ann Arbor. The ADU program caters to individuals looking to capitalize on revenue generating opportunities and has little to do with providing affordable housing. If you eliminate the owner occupied requirement, then you really open the door for real estate investors to cram additional structures on their rental properties to make extra income at the expense of destroying the integrity of the single family neighborhoods.

If the ADU program was truly designed to provide "Affordable" housing alternatives, there would be monthly rent caps in place. Instead, there are people charging \$1,000 per night for home football games or graduation and renting to multiple families at the same time. That is not the intent of the program.

I hope you seriously consider my feedback when reviewing the proposed ADU ordinance changes. I encourage you to Ask yourself how would you feel if your neighbor suddenly decided to build a gigantic structure next to your back yard that is taller than your own house? How safe would you feel if your neighbor no longer owned the house or ADU and rented them both out to a group of new people with cars parked in front of your house every 30 days?

Approving the proposed ADU ordinance changes, while not enforcing existing ones, will destroy the sanctity, character, integrity and safety of Ann Arbor's single family neighborhoods.

P.S. I still love my neighbors, but I don't want to have 6 of these things on my block either.

Sincerely,

Brad Roney
401 Potter Ave
Ann Arbor, MI

248-752-8588

From: Gary Supanich <garypsupanich@yahoo.com>

Sent: Monday, March 01, 2021 11:38 AM

To: Planning <Planning@a2gov.org>

Subject: ADUs

As an attorney, I am writing to object to the proposal to eliminate the various requirements for ADUs that are presently on the books. Indeed, these requirements are legally essential for preserving our neighborhoods and the sense of community in Ann Arbor. To eliminate them would be to invite a host of legal and other unnecessary social problems. In particular, requiring the owner of the property to live on the property is necessary to preserve the quality of our neighborhoods. This prevents developers and others (such as LLCs) unconnected to a neighborhood or block from buying up property to develop ADUs. We do not need such absentee ownership in our community, and the Planning Commission has given no reason for it. Also, parking requirements are essential to prevent certain neighborhoods from having our public streets effectively turned into private parking lots. Moreover, the present proposals would do nothing to address affordable housing in Ann Arbor, but would have the effect of undermining our neighborhoods for private gain. In short, I urge the Planning Commission to withdraw these proposals and consider other ways to improve the housing situation in the entire area by working with other local entities and individuals in the entire county. Ann Arbor is not an island.

Gary P. Supanich

From: Scott Trudeau <scott.trudeau@gmail.com>
Sent: Monday, March 01, 2021 12:25 PM
To: Planning <Planning@a2gov.org>
Cc: Disch, Lisa <LDisch@a2gov.org>
Subject: Planning Commission ADU & STR recommendation comments

Hello Planning Commissioners!

Regarding ADU Ordinance Recommendations

I am writing to thank you for considering removing the owner-occupancy requirement for ADUs. In addition to the cities that staff has identified as not having an owner-occupancy requirement, another point of reference is the AARP's Livable Communities Model ADU ordinance.

<https://www.aarp.org/livable-communities/housing/info-2021/adu-model-state-act-and-local-ordinance.html>

The AARP recently updated this model ADU ordinance and identified a number of "poison pill" attributes of ADU ordinances that undermine their positive effects. The "poison pills" they highlight are:

- Owner occupancy requirements
- Parking requirements
- Conditional use permit review procedures and standards
- Discretionary standards related to design or "neighborhood character"

By eliminating (the already nearly moot) parking requirement and owner-occupancy requirement in our own ordinance, we would come into alignment with this recommendation. I enthusiastically support all of the other recommendations in the resolution.

Regarding STR Ordinance Recommendations

While I was not in favor of the specific current STR ordinance, I support the recommendation to allow current Non-principle Residence STR ("NPRSTR") operators in zones where NPRSTRs are banned to be granted non-conforming status. I hope this forestalls lawsuits that could be costly and risk undermining the broader STR regulation via court ruling.

My one concern, which is not spelled out in the proposed ordinance language, is the criteria the City will use to determine whether a property was operating as an NPRSTR prior to the specified date. **One criterion I strongly recommend to qualify for nonconforming status: for the period the STR was in operation, it was legally registered and inspected as a rental property.** This will filter out operators who were already operating outside our rental housing regulations while holding the door open for operators who were operating in good faith and in accordance with our pre-existing rules. This may not need to be spelled out in the ordinance language, but I do hope it is a firm policy of the City review process.

For the future: Consider allowing ADUs as STRs on owner-occupied properties

For future consideration, now that we are regulating STRs as a specific use, I hope we reconsider allowing ADUs to operate as STRs when the property is owner-occupied in residential zones. This is one case where I believe an owner-occupancy requirement makes sense because the tenants are short-term. Given that ADUs are classified and regulated as accessory uses, an ADU STR could reasonably be treated as a principal-residence STR and not an NPRSTR.

Thank you,

Scott Trudeau

Extremely non-conforming R4C homeowner Ward 1 resident

From: Kirk Westphal <writetokirk@gmail.com>
Sent: Monday, March 01, 2021 6:00 PM
To: Planning <Planning@a2gov.org>
Subject: please allow more renters in ADUs

Dear Planning Commissioners,

Thank you for revisiting ADU permitting criteria. I enthusiastically support removing the owner-occupancy restriction.

There is clearly a concern that this change will cause a sudden shift in the landscape of neighborhoods. Given that Portland and Seattle—with their much higher rental rates and no owner-occupancy requirements—have seen such a low implementation rate of ADUs tells me that the fear of a homeowner "being surrounded" by these is not realistic. (Optimistically, what proportion of Ann Arbor's detached residential parcels do we think will have ADUs in 10 years? Two out of one hundred?)

As to the question of whether allowing 100% rental occupancy will cause investors to "move in" and cause more ADUs to be built, I can only hope so! If an investor outbids a single-family homeowner because it's more advantageous to have two rental units on a property, what's the actual problem that's being created? Is it enriching the downsizing owners too much? Is it promoting tear-downs? Tear-downs already happen—to accommodate one wealthy family. If there is a concern about the aesthetics of new detached residential construction, I feel that is a legitimate but separate discussion.*

Thank you again for all your attention to our housing crisis.

Sincerely,
Kirk c

* I think creating a design guide or pattern book would be a beneficial project, not just for ADU properties but for multifamily residential near the downtown. It would potentially help move along the implementation of the eternally-delayed R4C/R2A recommendations (stalled due to our experience with inappropriate lot combinations and poor student rental architecture), and it might be something that UM would be a willing partner on given their role in our housing needs.