



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: Assembly Members Riley, Mosher, Saline

Date: September 15, 2026

Subject: Accessory Dwelling Unit Zoning Code Changes

Purpose

The purpose of Ordinance No. 2026-23 is to update, modernize, and streamline the Title 22 Zoning Code provisions governing Accessory Dwelling Units (ADUs) in order to promote the construction of additional housing options in Sitka. The Assembly is asked to vote to adopt these zoning changes.

Background

This action directly implements Action H 1.1a of the Sitka Comprehensive Plan 2030 — the first action listed under Priority Housing Actions — which directs the City to "allow, encourage, and promote Accessory Dwelling Units (ADUs) by right in more zones." This ordinance is not, by itself, a complete solution to Sitka's housing shortage. It is one of several available tools to increase the usable housing capacity of land that is already zoned residential — land that is generally far more affordable to develop than raw, unzoned parcels. This ordinance is intended to increase long-term housing stock and incentivize building of ADUs.

Under current code, a proposed ADU must meet 14 separate requirements to be built outright in R-1, R-2 and related zones. If any one requirement cannot be met, the applicant must instead obtain a Conditional Use Permit — a process that requires a public hearing before the Planning Commission, adds cost and delay, and discourages many property owners from building at all. ADU regulations in Sitka have been widely cited as a barrier to development.

This code change cuts those requirements down to 8. It clarifies what an ADU is, streamlines the process for building one, reduces duplicative regulations and the permitting burden, thus making it easier to build an ADU outright in certain zones. It also includes built-in incentives for constructing ADUs by allowing the owner to use them for short-term rentals for a time limited period to recoup some of their initial building costs. The Planning Commission sought to align code with the common idea of what an ADU is: a smaller, detached unit on the same lot as a larger home. A duplex and a primary home with an ADU create comparable density on a lot. This ordinance brings ADU treatment into alignment with how duplexes are already regulated:

both are permitted outright in R-1, R-1 MH, and R-1 LDMH, and both are prohibited in the SF and SFLD districts.

This ordinance is the product of roughly six months of work with the Planning Commission. The Commission first discussed updates to the ADU code, proposed by Assembly Members Katie Riley and Kevin Mosher, at its April 15, 2026 meeting, and continued refining it at its August 19, 2026 regular meeting and August 24, 2026 special meeting — clarifying definitions, addressing burdensome design requirements, including tiny houses on chassis as ADUs, proposing a short-term rental incentive for construction, and creating a pathway for ADUs to be built before a single-family home. Public comment was taken at all three meetings, in addition to consideration of prior issues and ideas submitted to the Planning Department and Commissioners. The Planning Commission unanimously recommended approval of the ordinance at the August 24, 2026 meeting.

SUMMARIZATION OF CHANGES

Ordinance No. 2026-23 reduces the number of requirements an ADU must meet to be built outright from 14 to 8, clarifies the definition of an ADU, and streamlines several other elements of the process. Specifically, the ordinance:

- Clarifies the definition of an ADU as a detached structure, and specifies that ADUs exist only in zoning districts that allow a single principal use or structure (usually a single-family home in R-1 and related zones).
 - R2 and related zones already allow up to three principal uses, and so Accessory Dwelling Units are prohibited in these zones (as constructing one would raise the potential density to four structures per lot).
- Allows ADUs outright (in R-1 and related zones (R-1, R-1 MH, R-1 LDMH), subject to the remaining eight requirements.
- Creates a clearer pathway to construct an ADU first and a primary residence after on the same lot.
- Creates a limited, time-bound exception allowing short-term rental use of a newly built ADU: an owner may apply for a short-term rental permit immediately after building an ADU, and the permit automatically sunsets three years after activation and is non-transferable. This is intended to help owners recoup a portion of construction costs. The exception does not apply to tiny houses on chassis or in zoning districts where short-term rentals are otherwise prohibited.
 - This exception does not change the underlying requirement that ADUs are intended for long-term rental — the 90-day minimum rental term is the one requirement that cannot be waived through a CUP under any circumstance.
- Allows tiny houses on chassis to be used as ADUs, subject to construction standards already adopted under SGC 22.30.205.

- Clarifies the maximum ADU size to be 800 square feet of habitable space.
- Removes extraneous design requirements governing external appearance and entrance placement, exterior stairs, and solid screening of parking areas.
- Removes the prohibition on subdividing a lot that contains an ADU
- Removes the blanket prohibition on variances (setback, height, lot coverage, parking) for lots that contain an ADU, reinstating the normal variance process to address Sitka's challenging topography

FISCAL NOTE

None. This ordinance amends zoning regulations only and does not require the appropriation of municipal funds.

RECOMMENDED MOTION

The sponsors recommend that the Ordinance No. 2026-23 pass the ordinance as written.