



Accessory Dwelling Unit Grant Program

The Accessory Dwelling Unit Grant program is intended to provide encouragement for homeowners to add an accessory dwelling unit (ADU) to their home. This incentive is a \$13,500 grant per new ADU created. Funding for this program is provided by the Juneau Affordable Housing Fund.

Preliminary Eligibility to Apply

- Applicant can only apply for the grant program concurrently with a building permit application.
- One grant per new ADU.
- Applicant must be the property owner and at least 18 years of age.
- Applicant must be a Juneau resident whose principal residence is within the borough of Juneau.
- Outstanding Code Enforcement cases must **not** exist on the subject property.
- Only new ADUs are eligible for this incentive program. Building permit must have been issued after the program launch date.
- Building permit and grant application must be compliant with Title 19, Title 49, CBJ Engineering Code, and incentive grant criteria.

Eligibility for Award

- Pass final inspection within two years of issuance of associated building permit.
- Receive a full Certificate of Occupancy within 2 years from date building permit was **issued**. A Temporary Certificate of Occupancy is insufficient.
- Have no outstanding or active code enforcement cases on subject property.
- Property taxes and assessments, including bonds, must be in good standing.
- Record a deed restriction agreeing not to rent the resulting unit as a short-term rental for five (5) years from the date of issuance of the certificate of occupancy; a default would cause the property owner to owe the CBJ the grant award in the amount of \$2,700 for each year remaining of the deed restriction.
- The grant is non-transferable; therefore, if there is a conveyance of property prior to awarding this grant, this application becomes null and void.

Application and Disbursement Process

Property owners shall complete an Accessory Dwelling Unit Grant application concurrently with a Building Permit application for an ADU. Staff are available to provide assistance and answer any questions.

Availability of funding currently allows for 16 grant awards per fiscal year. Applications are received on a first come, first served basis. Grant application approval will be determined by the Community Development Department; approval is subject to meeting preliminary eligibility requirements. The first 16 eligible applicants will be awarded after meeting the final eligibility for award requirements. After the first 16 applications have been received, eligible applicants will be placed on a waitlist in the event more funding becomes available, or an applicant on the primary list fails to meet award eligibility requirements.

Grant proceeds will be disbursed after a full Certificate of Occupancy is issued by the CBJ Building Division, within the 2-year timeframe, and all other award eligibility requirements are met. Temporary Certificates of Occupancy are insufficient to receive an incentive grant award.

The applicant must agree not to rent the ADU as a short-term rental from issuance of the Certificate of Occupancy for five (5) years, and a default would cause the property owner to owe the CBJ the grant award. A short-term rental means a dwelling unit, or portion of a dwelling unit, offered for overnight occupancy in exchange for a fee and that is available for rent for fewer than 30 consecutive days.

Final Inspections

Applicants are cautioned that the building inspection process often takes more time to complete than one may anticipate. Inspectors may have several inspections pending. Depending on the season, inspectors may be unable to respond rapidly to a request for an inspection. Please allow adequate time after inspections to make necessary corrections. **Final inspections should be scheduled at least 1 month in advance of the 2-year deadline.**

Income and Taxes

Applicant is solely responsible for any tax implications upon receiving this incentive grant.