

ACCESSORY DWELLING UNITS IN NEW HAMPSHIRE

June 2017



New Hampshire Housing
Bringing You Home

ADUs – What Are They?

- A second, smaller **dwelling** on the same grounds as a single-family house – attached or detached
 - ▣ An apartment over the garage, in the basement, in an outbuilding
 - ▣ Also called: granny flats, in-law apartments, family apartments, or secondary units
- “Accessory” is a word that has meaning – customarily incidental and subordinate to the primary use

Benefits of ADUs

- Increases a community's housing supply without further land development
- Facilitates efficient use of existing housing stock & infrastructure
- An affordable housing option for many low- and moderate-income residents
- Improves homeowner cash flow
- Helpful to elderly and/or disabled people; enables them to live close to family members
 - ▣ Also helpful to caregivers, empty nesters, young adults, etc.

ADUs – History and Evolution

- Early 20th century – they were a common feature in single-family homes
- With post-WWII suburbanization and deployment of “Euclidean” zoning, ADUs became far less prevalent
 - Baby boom/Car boom/Sprawl
 - Less interest in efficient use of space
 - Easier mortgage financing
- ***But things are changing...***

Housing Needs and Preferences

- New Hampshire Center for Public Policy Studies report *“Housing Needs and Preferences in New Hampshire”* (2014)
 - Slower population growth; aging population
 - Mismatch of housing stock and needs and desires of changing population, young and old
 - Older adults want to “age in place” or “age in community”

What Does It Mean?

- What are the housing implications of these demographic changes?
 - ▣ We need to attract and retain a younger workforce
 - ▣ We need to house an aging population
- What are the policy implications of these demographic changes?
- Do these different populations want the same (or similar) things?

Impetus for NH's ADU Law

- Demographic and market changes
- Homebuilders were unable to fulfill homeowner requests to create ADUs for a family member or caregiver
 - ▣ Stymied by local land use restrictions
 - ▣ Sought legislative relief

ADU Law – The Basics

□ Defining Characteristics

- Independent living unit (sleeping, cooking, eating, sanitation)
- Adequate water supply and sewage disposal required
- Interior door between primary unit and ADU required

□ Municipal Role

- Municipalities **must allow** an ***attached*** ADU in any single-family zone by right, special exception, or conditional use permit
- If the zoning ordinance is silent on ADUs, then they are allowed in any single-family home (regardless of zone)
- Standards for a single-family home also apply to combined square feet and ADU (e.g., setbacks and frontage)

ADU Law – Options

- Municipality *may*
 - ▣ Require adequate parking to accommodate an ADU
 - ▣ Require owner occupancy of one of the units (but can't say which one)
 - ▣ Require demonstration that a unit is the owner's principal place of residence
 - ▣ Control for architectural appearance (“look and feel”)
 - ▣ Limit the number of ADUs per single family dwelling
 - ▣ Limit the number of unrelated individuals that occupy a single unit (concern of college towns)

ADU Law – Prohibitions

- Municipality ***must not***
 - Limit ADU to 1 bedroom
 - Require minimum size to be less than 750 s.f.
 - Require a familial relationship between the occupants of principal dwelling and ADU
 - Require the interior door between primary unit and ADU to remain unlocked
 - Require additional lot area or other dimensional standards for ADU (but it may increase lot size for a detached ADU)

ADU Law – Other Aspects

□ Detached ADUs

- Municipalities may allow at their discretion
- A municipality may require increased lot size, but other statutory standards for attached ADUs will apply

□ Amends NH RSA 674:21

Innovative Land Use Controls

- ADUs are removed from list along with its definition – no longer a voluntary land use regulation

ADU Law – What Next?

- RSA 674:71-73 became effective June 1, 2017
- Introduced in 2017 NH legislative session:
 - ▣ Allow municipalities to limit ADUs in townhouses and manufactured housing, and to prohibit condo conversion of ADUs (HB 265 – will take effect upon Governor signing)

NHHFA ADU Contacts

Ben Frost

bfrost@nhhfa.org

George Reagan

greagan@nhhfa.org

