

Building Knowledge: Accessory Dwelling Units



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Introduction

Accessory Dwelling Units (ADUs) have emerged as a popular solution to housing shortages and affordability challenges in many cities and states across the country. However, regulations governing ADUs vary widely from state to state and even within local jurisdictions. Understanding ADU regulations, both statewide and local, is crucial for homeowners looking to build an ADU on their property. Some states have embraced ADUs and have enacted laws that encourage their construction, while others have more restrictive regulations.

For homeowners, ADUs represent an opportunity to unlock the hidden potential of their property. Whether it's providing a home for aging parents, creating a rental income stream, or simply adding versatility to their living space, ADUs are redefining the concept of home ownership.

But the impact of ADUs extends far beyond individual homeowners. For cities grappling with housing shortages and affordability challenges, ADUs offer a scalable, sustainable solution. By increasing housing supply without the need for large-scale development, ADUs can help cities accommodate growing populations while preserving the character of existing neighborhoods.

Of course, the path to ADU adoption is not without its challenges. Zoning laws, building codes, and financing hurdles can all present obstacles for homeowners looking to build an ADU. However, as cities like Portland, Oregon, and Vancouver, British Columbia, have shown, thoughtful policy changes and community engagement can pave the way for ADU success.

As the conversation around housing continues to evolve, ADUs stand out as a shining example of innovation in action. By embracing the potential of ADUs, cities and homeowners alike can create a more sustainable, inclusive urban future. This guide explores what ADUs are, the regulations governing them, states that encourage ADU construction, and model ordinances that can serve as a blueprint for local governments looking to promote ADU development.

What are Accessory Dwelling Units?

An Accessory Dwelling Unit (ADU) is a separate living space on the same property as a standalone single-family home. It can be called by various names like accessory apartments, secondary suites, or granny flats. ADUs can be part of the main house, added onto it, or a separate structure.

Historically, ADUs have been used for various purposes, including housing for extended family members, rental units to generate extra income, or as living spaces for caregivers or domestic staff. During the mid-20th century, many municipalities imposed zoning restrictions that effectively banned ADUs, but recent shifts in policy have renewed interest in this housing form. Today, ADUs are increasingly popular as cities seek sustainable solutions to housing shortages, offering benefits such as affordable housing, flexibility in living arrangements, and efficient land use.

Currently, ADUs are utilized for a variety of purposes. They serve as rental units providing affordable housing options, as living spaces for aging parents (sometimes referred to as “granny flats”), and as independent living spaces for young adults. Additionally, they can be used as home offices or guest houses. By accommodating diverse housing needs, ADUs help cities manage growth sustainably and inclusively, offering a versatile and practical solution to the ongoing demand for housing.

Accessory Dwelling Unit Regulations

Several regulations facilitate the building of ADUs. For instance, states like California and Oregon have implemented laws that require cities to permit ADUs by right, streamlining the approval process and reducing the barriers to construction. These laws often include provisions that prevent homeowners’ associations from banning ADUs, mandate ministerial approval processes to avoid discretionary reviews, and sometimes reduce or eliminate parking requirements and impact fees.

The regulation of building ADUs typically falls under the jurisdiction of local governments, such as cities or counties. They set the rules and regulations regarding the construction, size, location, and other aspects of ADUs through zoning ordinances, building codes, and other regulations. These regulations can vary significantly from one jurisdiction to another,

so it's important to check with the local planning or building department to understand the specific requirements and process for building an ADU in a particular area.

Research your Local Government:

- Start by visiting the website of your local city or county planning department. They usually have sections dedicated to ADU regulations and requirements.

Understand Zoning Requirements:

- Look for the zoning code or municipal code related to ADUs. This document will outline the specific rules for ADUs, including size, location, and design standards.
- Determine which zoning districts in your municipality allow ADUs. Not all residential zones may permit them.
- Check the minimum lot size requirements and setback rules (distance from property lines) for ADUs.

Review Local Design Standards:

- ADU size can be restricted based on the size of the primary dwelling or lot. Ensure your plans meet these size limitations.
- Some municipalities have specific design standards to ensure ADUs blend with the neighborhood, including height restrictions and appearance guidelines.

Building and Permitting:

- Most ADUs require a building permit. Check the application process, required documents, and fees associated with obtaining a permit.
- Understand whether your project will undergo a ministerial review (straightforward approval if it meets all criteria) or a discretionary review (more complex and may require public hearings).

States that Encourage Accessory Dwelling Units

Several states in the U.S. have adopted comprehensive statewide ADU (Accessory Dwelling Unit) policies to promote the development of these units as a means to address housing shortages. These states have recognized the potential of ADUs to provide additional housing options and have implemented statewide policies to facilitate their development. Here are some of the states with such policies:

Arizona

Law: [SB 1415](#), passed in 2024.

Size Requirements: The size of the ADU can be up to 75% of the main residence's gross floor area or 1,000 square feet, whichever is smaller.

Occupancy Requirement: None. ADUs can often be rented out on a long-term basis, but short-term rentals (less than 30 days) might be subject to different regulations or restrictions.

Parking Requirement: If the ADU is situated within half a mile of public transportation accessibility, the state exempts it from the necessity to provide additional parking spaces.

Overview: Mandates that all Arizona municipalities with populations of 75,000 or more must implement the state's ADU (Accessory Dwelling Unit) regulations. [These rules](#) permit any single-family property to add at least one attached or detached ADU. Additionally, each restricted-affordable dwelling unit on the property is allowed at least one extra ADU.

California

Law: Assembly Bill 881, passed in 2020 and [amended in 2024](#).

Size Requirements: ADUs can generally be up to 1,200 square feet. Local ordinances may not set minimum lot sizes for ADUs.

Occupancy Requirement: No requirements for ADUs and DADUs. JADUs typically require owner occupancy. ADUs can be rented out, but short-term rentals (less than 30 days) are often restricted locally.

Parking Requirement: No additional parking is required if the ADU is within half a mile of public transit, part of an existing structure, in a historic district, in a parking permit area, or if there is a car-share vehicle within one block.

Overview: Local jurisdictions must approve ADUs through a ministerial (non-discretionary) process, meaning they can't be subject to discretionary review. California allows the ADU (built as an addition to an existing home), DADU (separate from the primary residence), and JADU (converted as part of the existing home).

Colorado

Law: [HB 1152](#), passed in 2024.

Size Requirement: The state prohibits localities from imposing limits on ADUs up to 800 sq. ft. in size, stating must be allowed in primary residential zones.

Occupancy Requirement: Not required, unless at times when an application is submitted to construct an ADU.

Parking Requirement: Off-street parking requirements are not allowed in cities and counties that are mandated by this legislation.

Overview: Colorado legislation mandates that cities meeting specific size thresholds must permit ADUs. Essentially, this ADU law does not apply to small towns and rural communities with populations under 1,000 people. Additionally, the law overrides any HOA rules that prohibit ADUs, ensuring that homeowners' associations in the affected areas cannot ban them.

Oregon

Law: [HB 2001](#), passed in 2019.

Size Requirements: The state does not impose specific size limits for ADUs, but local jurisdictions may set their own limits, often around 800 to 1,200 square feet.

Occupancy Requirement: Oregon law does not require owner occupancy for ADUs, meaning neither the primary residence nor the ADU needs to be owner-occupied.

Parking Requirement: Prohibits cities from requiring additional off-street parking for ADUs if the property is within a certain distance of public transit or if on-street parking is available.

Overview: Requires cities with populations over 10,000 and counties with populations over 15,000 to allow ADUs on lots with single-family homes. Cities and counties must approve ADUs through a ministerial (non-discretionary) process, meaning they cannot be subject to conditional use permits.

Washington

Law: [HB 1337](#), passed in 2023.

Size Requirements: The city or county may not establish a maximum gross floor area requirement for accessory dwelling units that is less than 1,000 sq. ft.

Occupancy Requirement: The city or county may not require the owner of a lot on which there is an accessory dwelling unit to reside in or occupy the accessory dwelling unit or another housing unit on the same lot.

Parking Requirement: Cities and counties may not require off-street parking for ADUs within a half-mile walking distance of transit stops.

Overview: This legislation, one of the most ADU-friendly in the country, mandates that localities allow at least two ADUs in all urban growth areas with single-family zoning, as well as permitting detached ADUs and two-story ADUS. Impact fees are also limited to 50% of the primary residence.

Montana

Law: [SB 528](#), passed in 2023

Size Requirements: The city or county may not establish a maximum gross floor area requirement for accessory dwelling units that is less than 1,000 sq. ft.

Occupancy Requirement: The law does not require the single-family home or the ADU to be occupied by the owner or require a familial, marital, or employment relationship between the occupants of the single-family home and the occupants of the ADU.

Parking Requirement: Localities may not require additional parking to accommodate ADU construction or require fees in lieu of additional parking.

Overview: The new law will update municipal zoning codes to permit at least one ADU on any lot with a single-family dwelling. This includes options for attached, detached, or internal ADUs. The law will also require municipalities to permit ADUs that do not match the exterior design, roof pitch, or finishing materials of the single-family dwelling.

Additional Considerations

When building- or considering to build- an ADU on your property, there are other factors to consider and research prior to going forward with the construction process. Conducting research minimizes mistakes and ensures limited unseen costs when gaining build approval.

Parking Requirements:

- Many municipalities require additional off-street parking for ADUs. Review the parking requirements to ensure compliance.

Utility Connections:

- Determine if your ADU will need separate utility connections (water, sewer, electricity) and the associated costs.
- Be aware of any impact fees that may apply to your ADU project, which can vary based on the size and type of ADU.

Homeowner Associations (HOAs):

- If your property is governed by an HOA, review their rules and regulations regarding ADUs. Some states, like California, have laws that override HOA restrictions, but this may not be the case everywhere.

ADU Resources

Tracking ADU legislation, building ADUs, and navigating the approval process can be complex but there are several helpful resources available:

- **Local Planning and State Agencies:** These departments can provide information on local zoning laws, building codes, and the permit process for ADUs. State housing agencies often have resources on ADU regulations and incentives, as well as information on financing options. Examples include navigating through guidance from the [City of San Diego, California](#), and guidance from the [State of Washington](#).
- **AARP Livable Communities:** The [AARP Public Policy Institute](#), in collaboration with the American Planning Association (APA), has published “[Accessory Dwelling Units: Model State Act and Local Ordinance](#).” This resource is designed to guide communities in creating ADU-friendly policies to expand housing options, particularly for older adults. The model ordinance includes provisions that address zoning, permitting, design standards, and occupancy, aimed at making it easier for municipalities to adopt ADU regulations that promote affordable and flexible housing solutions.
- **ADU Advocacy Groups:** Some cities have advocacy groups focused on ADUs that can provide support and resources for homeowners. The [Accessory Dwellings website](#) provides a wealth of information on ADUs, including regulations, design ideas, and case studies.

- **Professional Planning Organizations:** Professional membership-based organizations, including the [American Planning Association](#), produce publicly-accessible research documents and track legislation based on ADU construction. These groups also offer resources and guides for creating livable communities, which often includes information on ADUs and housing options for older adults.