

How-to-do an ADU

A virtual workshop on creating an Accessory Dwelling Unit in your own home



With
Financial
Support from

AARP[®]
New Hampshire



SNHPC

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SNHPC

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Today's Speakers



Cameron Prolman
Regional Planner
at Southern NH
Planning Comm.



Russ Collins,
Owner of Home
Innovations Corp.



Jaime Frederes
Senior VP/Director at
Bar Harbor Bank
& Trust



Tammy Zamoyski
Regional Planner
at Southern NH
Planning Comm.



Paul McLaughlin
Homeownership
Program Director
at HOMETeamNH



Todd Fahey, Esq
State Director for
AARP New
Hampshire



Event Moderators

Foreword By Southern NH
Planning Commission
Executive Director
Sylvia von Aulock



Event Moderator
James Vayo
Project Manager
Southern NH Planning
Commission



How-to-do an ADU

Today's Agenda

- (5:05) **Introduction to Accessory Dwelling Units – James Vayo**
- (5:10) **Common Zoning Regulations for ADUs – Cameron Prolman**
- (5:25) **Design and Construction Challenges – Russ Collins**
- (5:35) **Financing Tools for ADUs – Jaime Frederes**
- (5:50) **Examples of ADUs in New England – Tammy Zamoyiski**
- (6:05) **Becoming an ADU Landlord – Paul McLaughlin**
- (6:15) **The Future of ADUs, Upcoming Legislation – Todd Fahey**

Workshop Questions and Answers



Trends in Households and Housing

Smaller Households

28% of HH are 1 Person



Housing Mismatch:

Fewer People

Larger Homes

But Homes are Larger

15% of Homes have <2BR

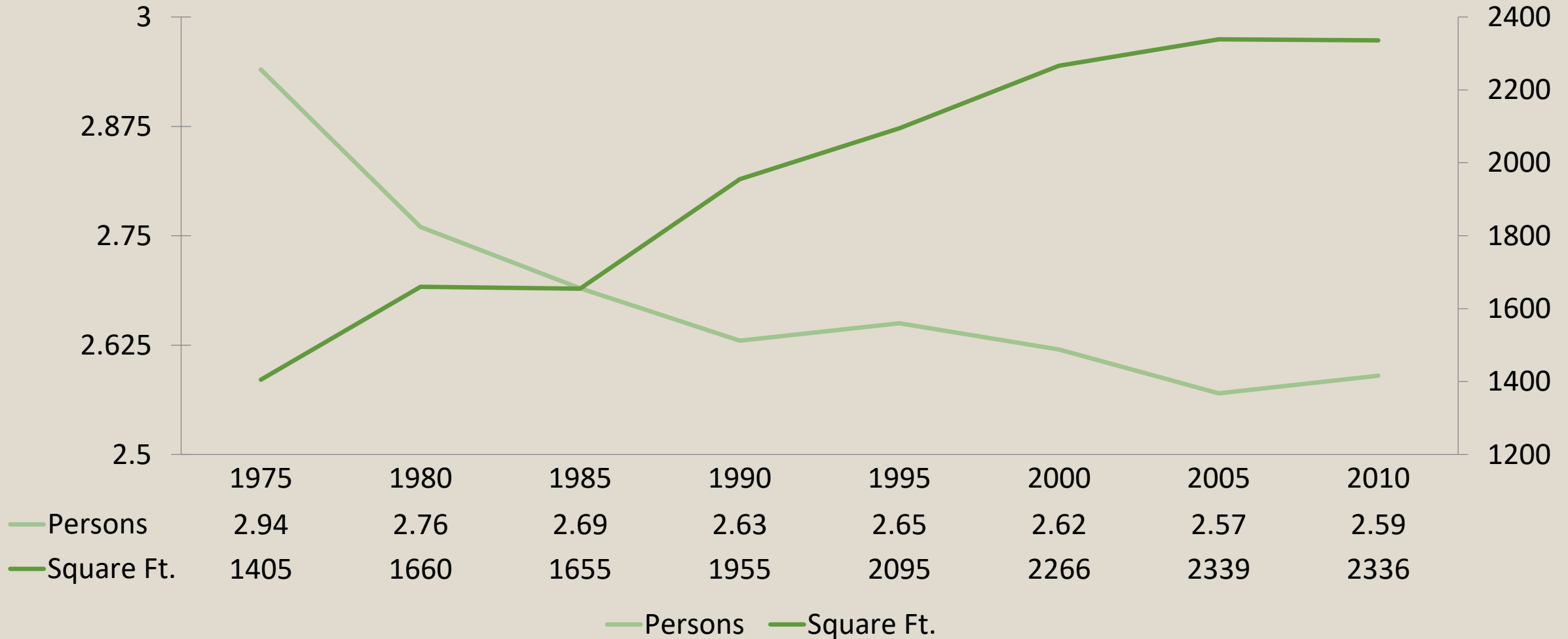


Source: U.S. Census Bureau, Current Population Survey, March and Annual Social and Economic Supplements.

Source: U.S. Dept. of Commerce, Index of Housing Characteristic Tables

Trends in Households and Housing

Average HH Size Vs. Home Size (Northeast) 1975 - 2010



Source: U.S. Census Bureau, Current Population Survey, March and Annual Social and Economic Supplements.

Housing Challenges Across Generations

Older People are Lonely and Younger People are Priced Out

1 in 4 seniors isolated...



Millennials shut out...



Source: <https://www.cdc.gov/aging/publications/features/lonely-older-adults.html> /
<https://www.newamerica.org/millennials/reports/emerging-millennial-wealth-gap/trends-origins-and-implications-of-the-millennial-wealth-gap/>

ADUs Can Bring Us Together



ADU Regulations

Speaker: Cameron Prolman



Regional Planner

Southern NH Planning Commission

Cameron joined SNHPC in 2015

Masters in Public Administration at UNH

Resident of the City of Manchester

Email: cprolman@snhpc.org

Building an ADU in Your Community – Common Zoning Regulations



So, You Want to Build an ADU?

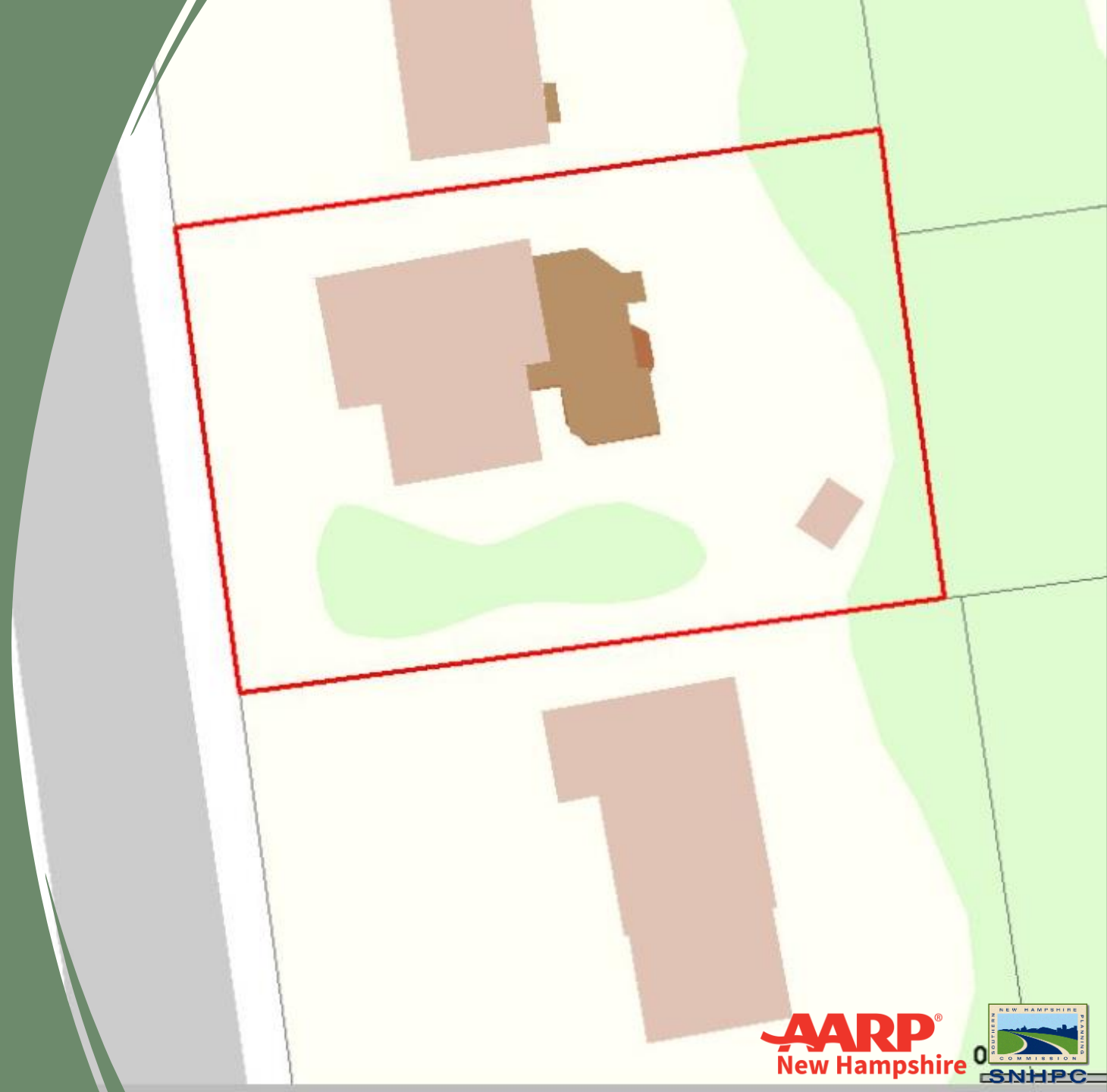
**You'll need to understand
your:**

- **Lot**
- **Local zoning regulations**
- **Who to talk to**

Know Your Lot

Find your lot on your community's GIS web-viewer or through your local Building Department.

Look at the physical characteristics of your lot – is it near water bodies? Distance to abutting properties?



Get to know your local regulations

- Find your community's Zoning Ordinance online or in their Town Office
- Search for a section on Accessory Dwelling Units

Section 310	Multifamily Dwellings (<i>Adopted March 9, 2010</i>)	38
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Section 314	Agricultural Uses Shall Comply with the Following Requirements	39
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Section 318	Off-Street Parking	40
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Section 331 Accessory Dwelling Units:

66

Zoning Regulations – What to Look For

☐ Can you build an ADU in your “Zone”?

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- ☐ What is the Maximum Square Footage or Maximum Floor Area?

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- ☐ Is there a Parking Requirement?

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- ☐ What is the Maximum Square Footage or Maximum Floor Area?
- ☐ Is there a Parking Requirement?
- ☐ Will you need to pay an Impact Fee for your ADU?

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- ☐ Can the ADU be detached from the primary home? Or does it need to be attached?

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- ☐ What is the Maximum Bedroom allowance?

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- ☐ What is the Maximum Bedroom allowance?
- ☐ What are the setbacks?

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- ☐ What are the setbacks?
- ☐ Do you have adequate water supply and sanitary disposal?

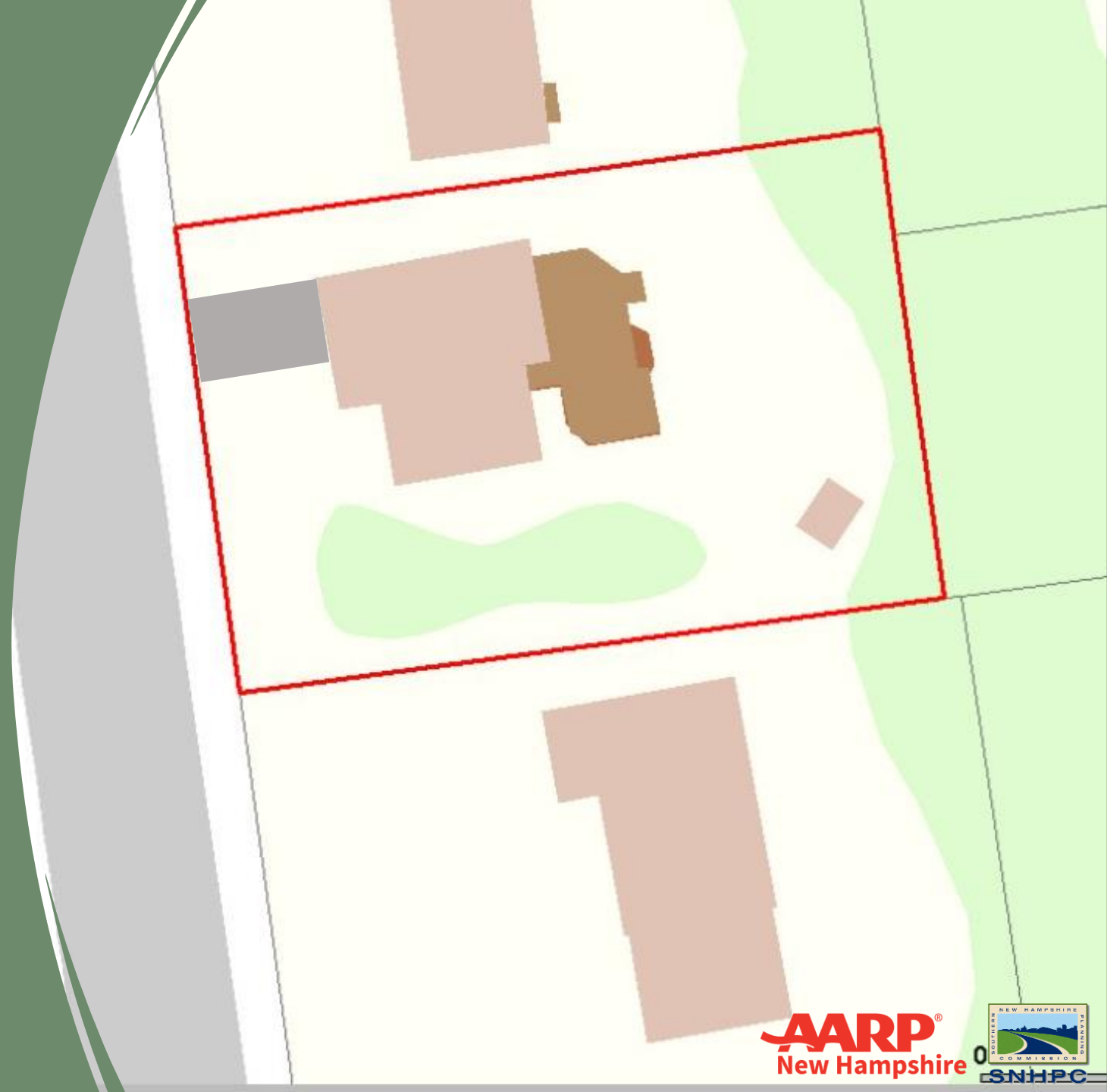
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- ☐ Can the ADU be detached from the primary home? Or does it need to be attached?
- ☐ What is the Maximum Bedroom allowance?
- ☐ What are the setbacks?
- ☐ Do you have adequate water supply and sanitary disposal?
- ☐ Do you (the owner) need to live on the property?

	Max Sq. Ft/Floor area	Impact Fee	Detached	Max Bedroom
Auburn	750	-	Not allowed	2
Bedford	1000	Yes	Not allowed	-
Candia	750	-	Not allowed	2
Chester	1000	Yes	Not allowed	2
Deerfield	750 or 35%	-	Allowed	2
Derry	800	-	Not allowed	2
Franeestown	750 or 40%	-	Not allowed	-
Goffstown	800	Yes	Not allowed	-
Hooksett	750 or 30%	-	Not Allowed	-
Londonderry	40%	-	Allowed	2
Manchester	750	Yes	Not allowed	2
New Boston	1000 or 50%*	-	Allowed	-
Weare	750	-	Not allowed	-
Windham	950	Yes	Not allowed	2

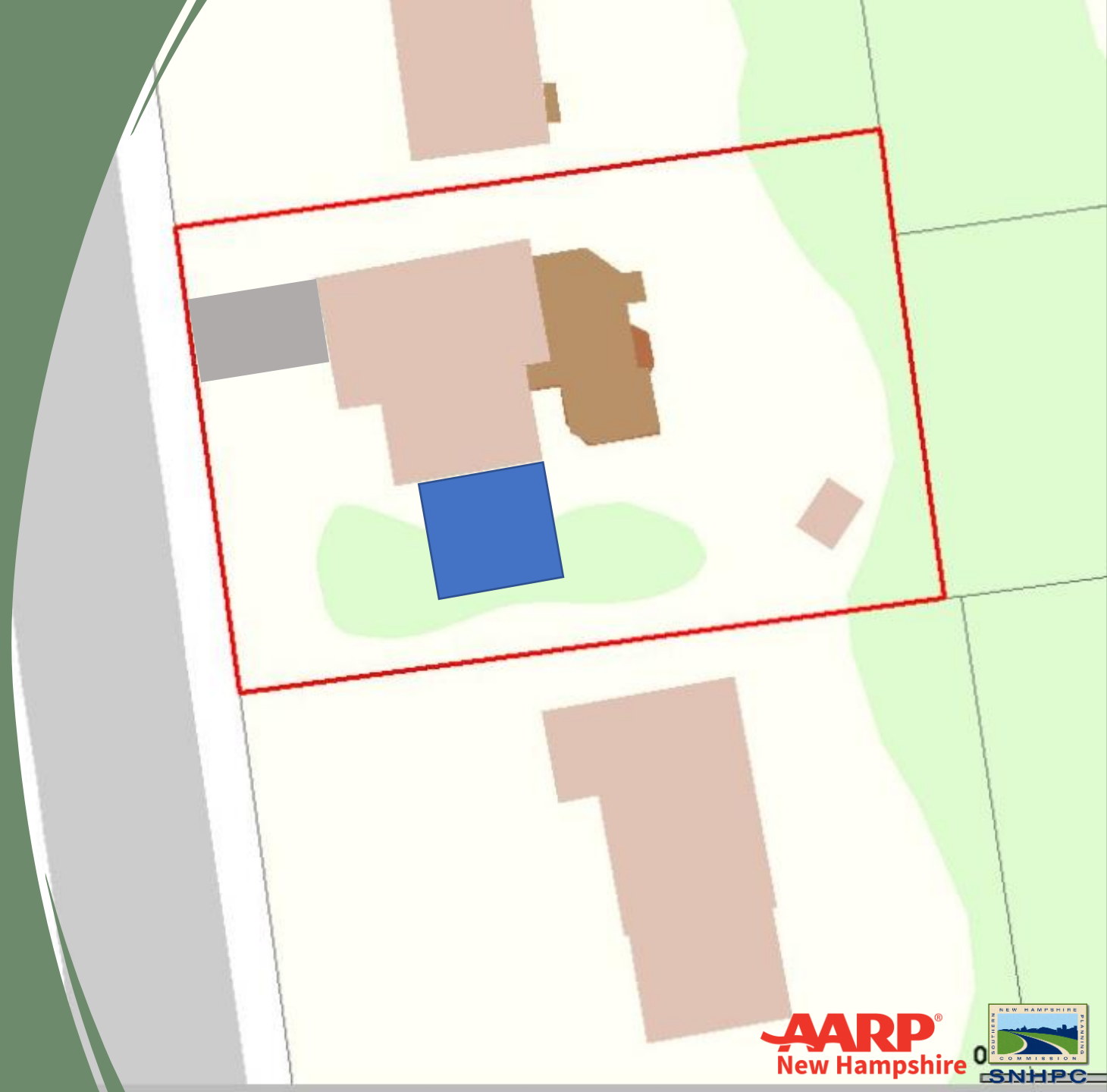
Know Your Lot

Can you even build an ADU on your lot?



Know Your Lot

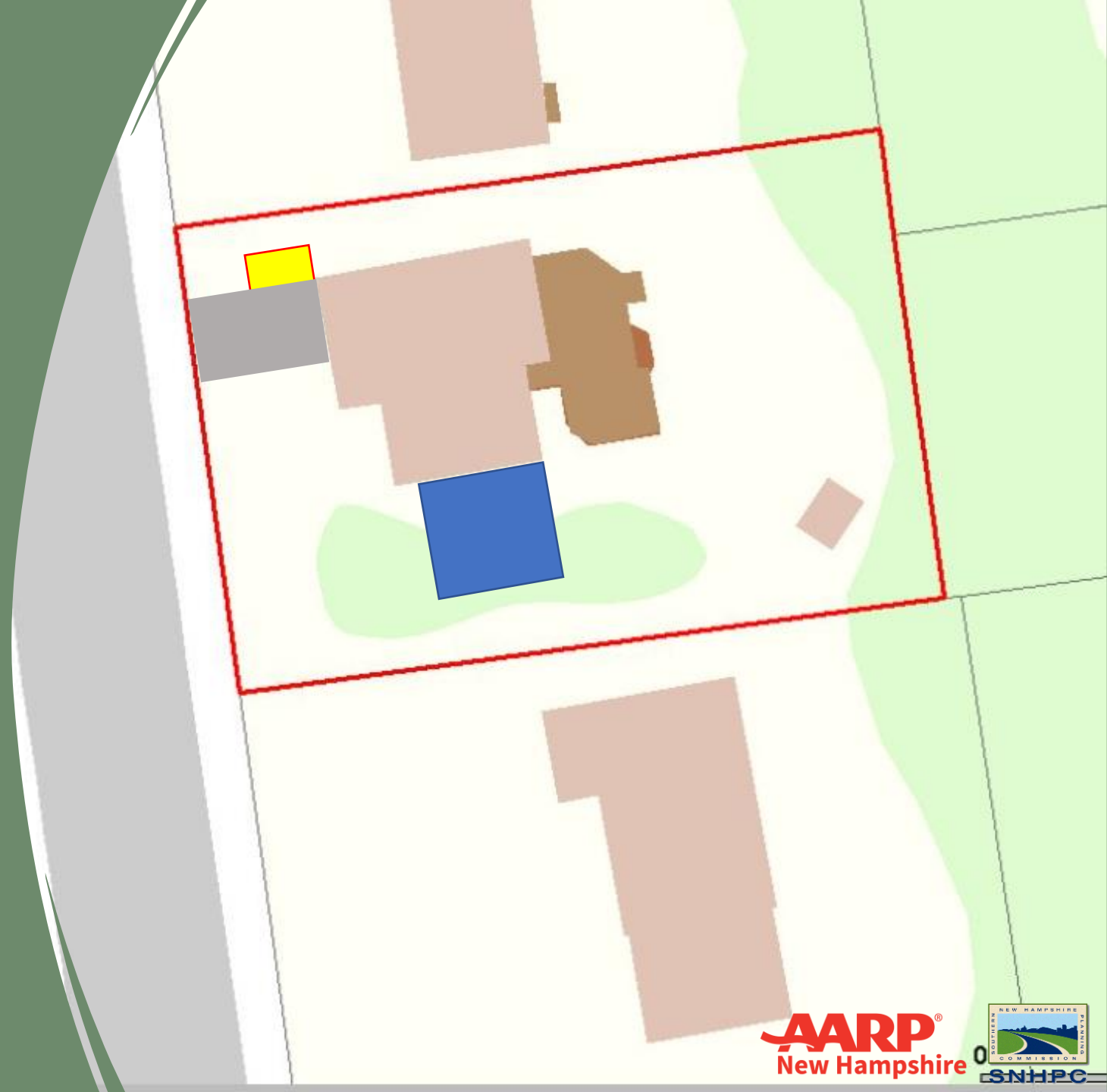
Ex: You want to build an attached 750sf ADU.



Know Your Lot

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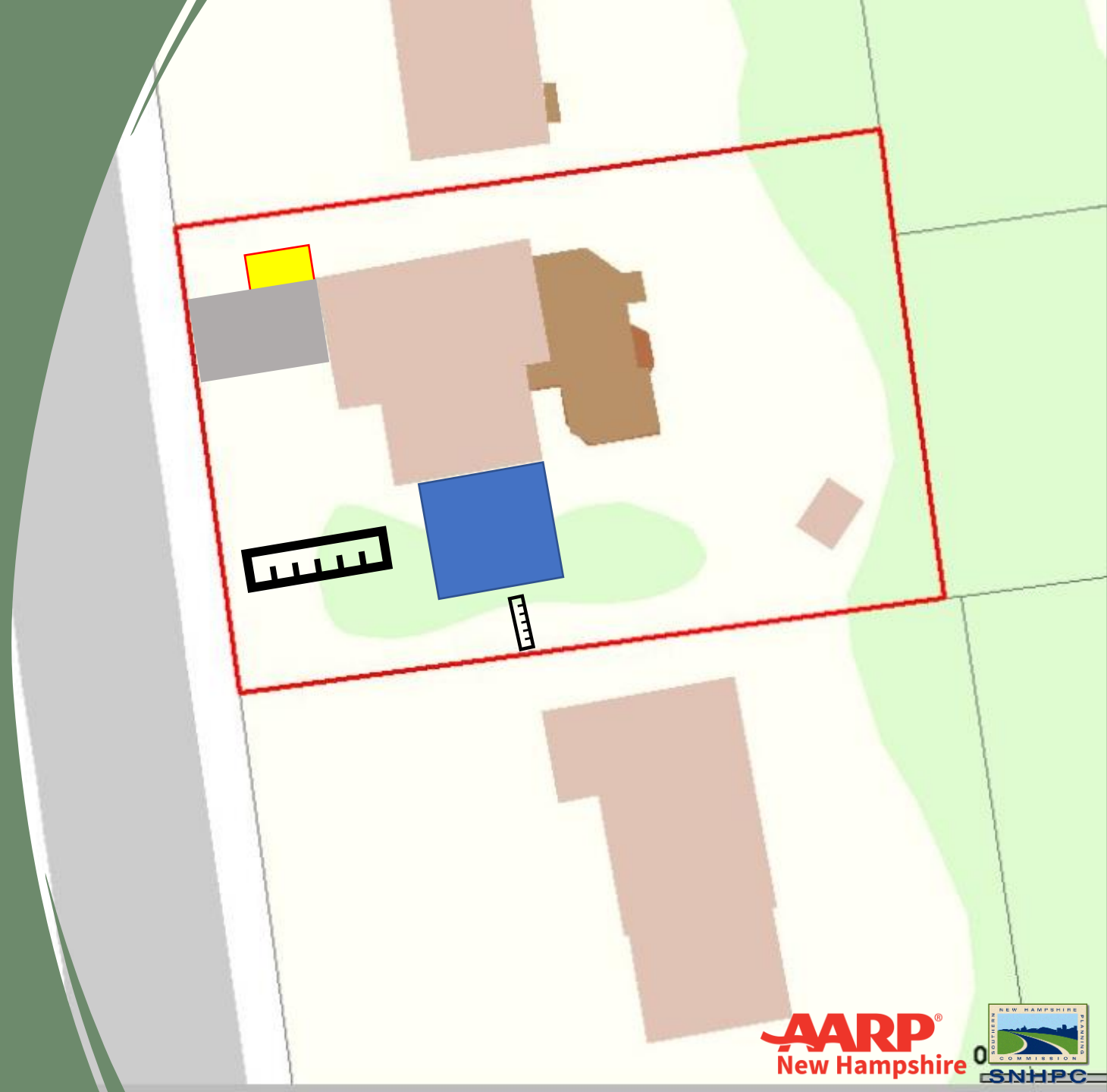
Parking Required: Is there enough space in your existing driveway or do you need to construct an additional space?



Know Your Lot

Ex: You want to build an attached 750sf ADU.

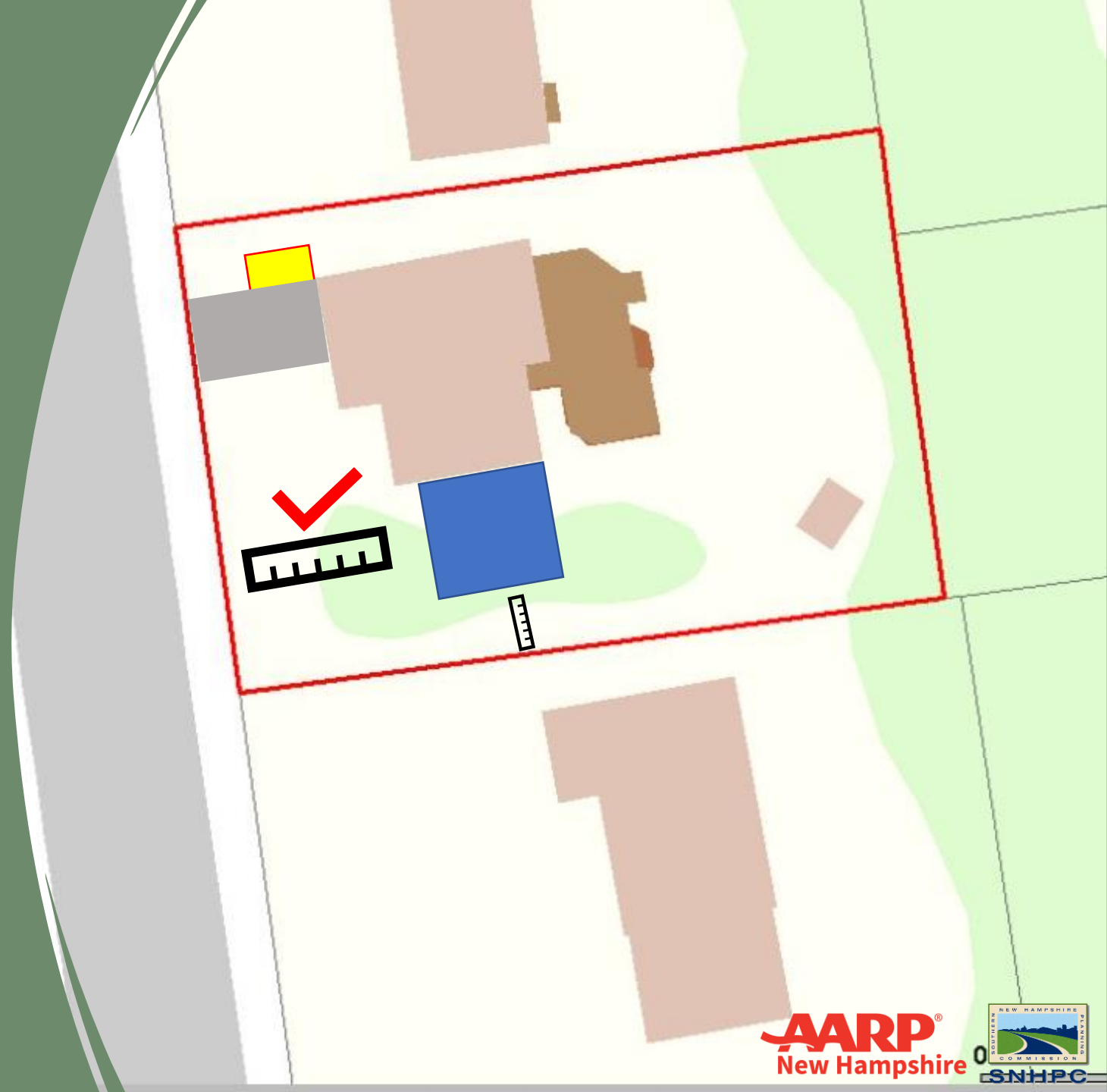
Setbacks: Do you meet the side, front, and wetland setbacks?



Know Your Lot

Ex: You want to build an attached 750sf ADU.

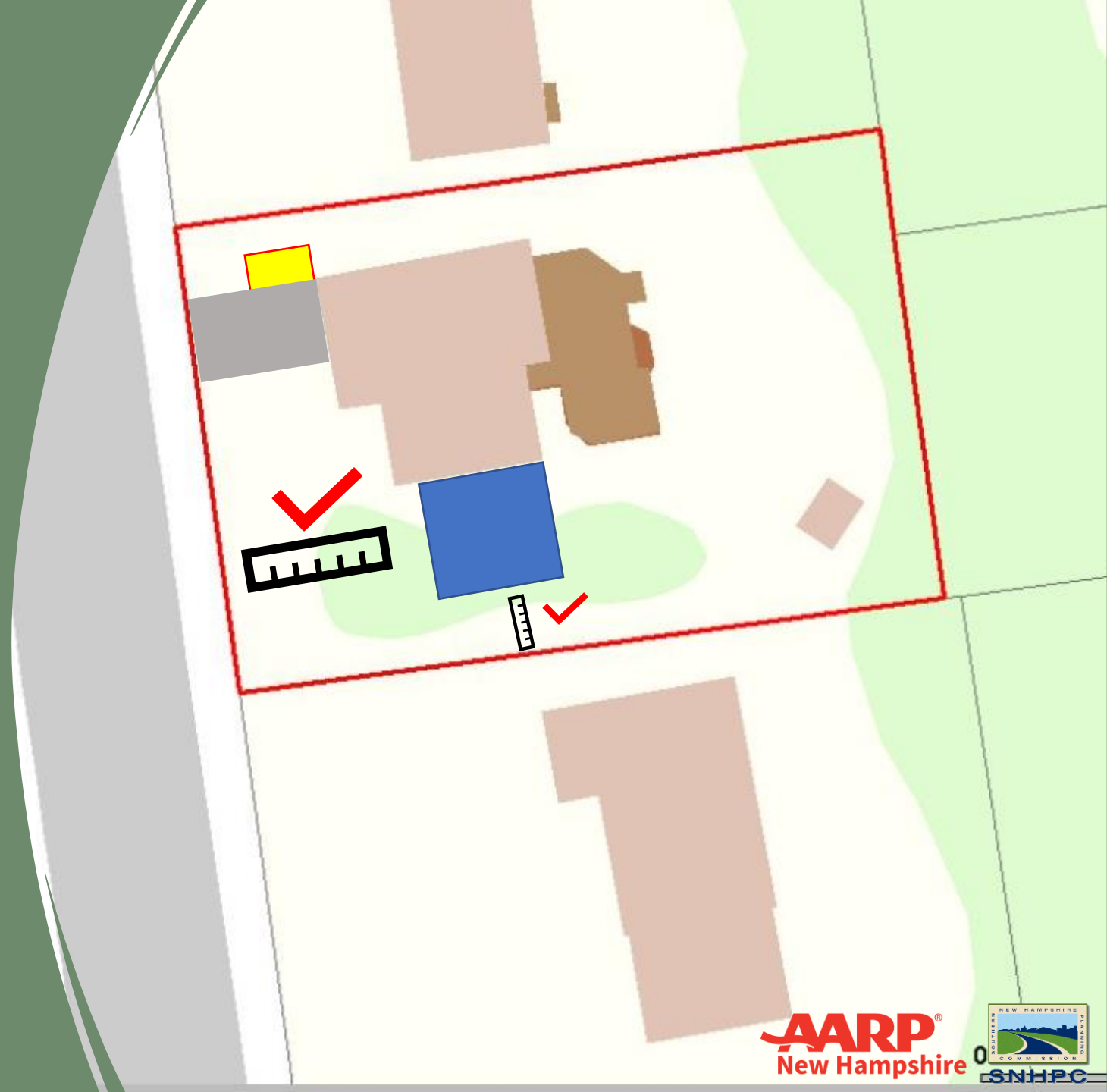
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Know Your Lot

Ex: You want to build an attached 750sf ADU.

Setbacks: Do you meet the side, front, and wetland setbacks?



Understand the Process

In some cases, all you need to do is fill out an application.

For many towns, this is not the case.

RESIDENTIAL ACCESSORY DWELLING PERMIT APPLICATION

Approved by: _____ Date: _____

Permit Fee: \$ _____ Applicable Code Edition **2015 IRC as of 9/15/19**

Map & Lot _____ (FOR OFFICE USE ONLY)

ADDRESS _____ (no.) (street)	ZONING DISTRICT _____ Is this lot within the Flood Plain? _____
---------------------------------	--

ACCESSORY DWELLING INFORMATION	
<p>Choose Addition or remodel</p> <p>____ ADDITION Attached or Detached (Circle choice)</p> <p>____ SIZE</p> <p>OR</p> <p>____ REMODEL EXISTING STRUCTURE (please specify) _____</p>	<p>Please answer the following five questions</p> <p>*Total living area of the principal dwelling _____ Sq. Ft. Times 40% = _____ Sq. ft. Allowed for accessory living unit</p> <p>*Proposed living area of the accessory dwelling _____ Sq. Ft.</p> <p>*Number of existing bedrooms _____</p> <p>*Will the proposed accessory dwelling have 1 or 2 bedrooms? (please circle choice)</p> <p>*Total Cost of Construction \$ _____ (Total cost of improvement should include materials & labor costs)</p>
OWNER INFORMATION	
NAME	MAILING ADDRESS
CITY & STATE	ZIP CODE
TEL #	

CONTRACTOR INFORMATION				
NAME	MAILING ADDRESS	CITY & STATE	ZIP CODE	TEL #

I hereby certify that the proposed work is authorized by the owner of record and that I have been authorized by the owner to make this application as his authorized agent and we agree to conform to all applicable laws of this jurisdiction

APPLICANT NAME	ADDRESS (If different from above)	DATE
Print _____		
Signature _____		
Phone Number _____		
Email Address: _____		

VS.

Public Hearing/Special Permitting Processes:

- ☐ Zoning Board - Special Exception
- ☐ Planning Board - Conditional Use Permit
- ☐ Planning Board - Site Plan

**You aren't
alone!**

**Many towns have staff
who will walk you through
this process.**

**Make an appointment with
your Town Planner,
Building Official or other
appropriate town staff.**

**This presentation and more resources
will be posted on the SNHPC website.**



<https://www.snhpc.org/community-economic-development/land-use-housing/pages/adu>

ADU Design and Construction

Speaker: Russ Collins – Design and Construction



Business Owner

Home Innovations Corp.

Specialization in Energy-efficient Homes and ADU construction

Degree in Mechanical Engineering from the University of Colorado

Business located in Epping, New Hampshire

Webpage: <http://hiconline.us/>



ADU Design Challenges

- Fire Safety, Egress
- Traffic Flow, Parking, Winter Weather
- Balancing 'Privacy' & 'Accessibility'
- Aging-In-Place – mobility, lighting, socializing
- Windows & Doors – style, operation
- 'Maintainability' – cleaning, upkeep



ADU Construction Challenges

- Demo – Load-Bearing Walls, Existing Utilities
- HVAC, electrical, plumbing – extend existing?
- Insulation & Air-Sealing (comfort, costs)
- Permitting & Inspections

Financial Tools for ADUs

Speaker: Jaime Frederes



**Senior VP / Director of Residential Lending
Bar Harbor Bank and Trust**

20 years of experience in residential lending

B.S. in Finance Management from St. John Fisher College

Specialty in training for home finance lending products

Webpage: <https://www.barharbor.bank/>

Moving Forward with an ADU

Options involving financing the initial investment

Jaime Frederes
SVP – Director of Residential Lending
Bar Harbor Bank & Trust
jfrederes@barharbor.bank



Planning for the financing discussion

There are a series of considerations with leveraging financing products...

- Does my home have the equity?
- What financing do I currently have in place; terms/rates?
- Zoning / highest and best use?
- Underwriting guidelines
 - Secondary underwriting guidelines (Fannie/Freddie) have limits on leveraging potential income on from ADU in qualifying for financing



There are different products to consider

- Purchase money first mortgage products
 - For initial purchase of a home with an existing ADU
 - Fairly standard criteria for consideration
 - Some limitations on options due secondary guidelines
- Cash-out refinance
 - First position mortgage where you take monies out above an existing first/second mortgage to be used for an ADU
 - Will payoff the existing first mortgage
 - Terms will be based on remaining equity



There are different products to consider

- Construction/Renovation first mortgage products
 - Designed to lend on an after approved and pay contractor during the construction of an ADU
 - After approved value could create the equity needed
 - Will pay-off existing mortgages
- Home Equity Line of Credit (HELOC) or Home Equity Loan (HELOAN)
 - Leverage equity out of your home without paying off a first mortgage
 - Does not have to pay-off existing mortgages
 - Terms vary depending products



Which is the best option for me?

- First thing to know – there is **no one right way** to finance your project
- Like homes – every situation is different and that is why it is important to have a general understanding of the options so that you can narrow down to – ***Your Right Way***
- Meet with a professional Mortgage Loan Officer to discuss your options



Moving Forward with an ADU

Options involving financing the initial investment

Jaime Frederes
SVP – Director of Residential Lending
Bar Harbor Bank & Trust
jfrederes@barharbor.bank



Examples of ADUs

Speaker: Tammy Zamoyски



Regional Planner

Southern NH Planning Commission

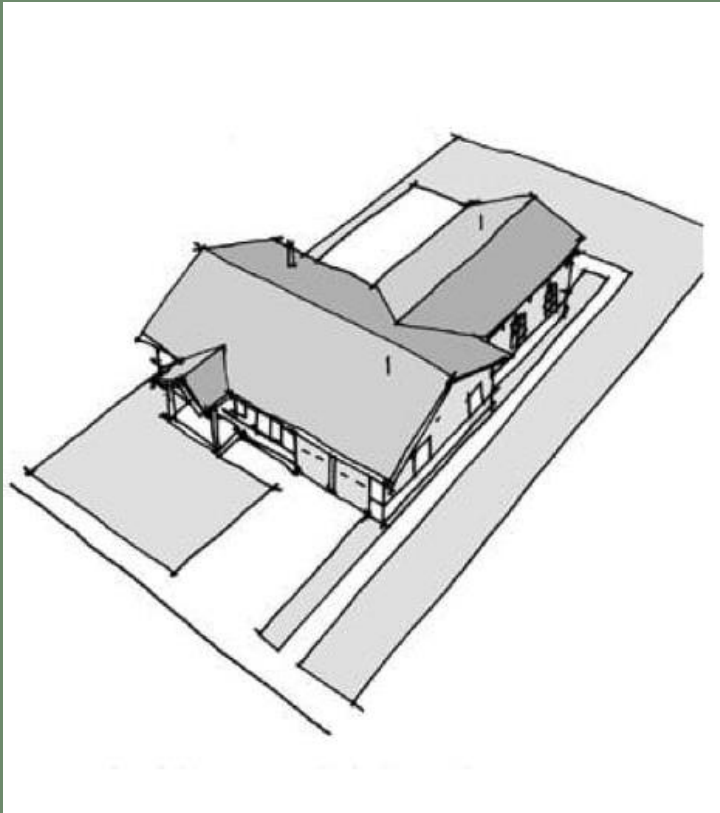
Tammy joined SNHPC in 2021

B.A. in Urban and Regional Planning from the University of Buffalo

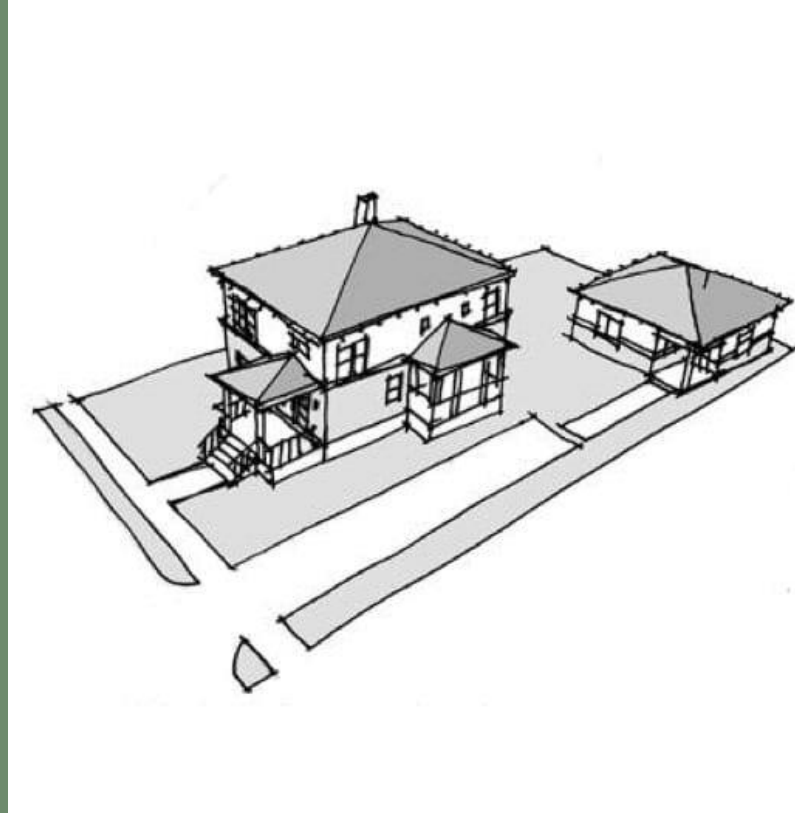
Resident of the City of Manchester

Email: tzamoyски@snhpc.org

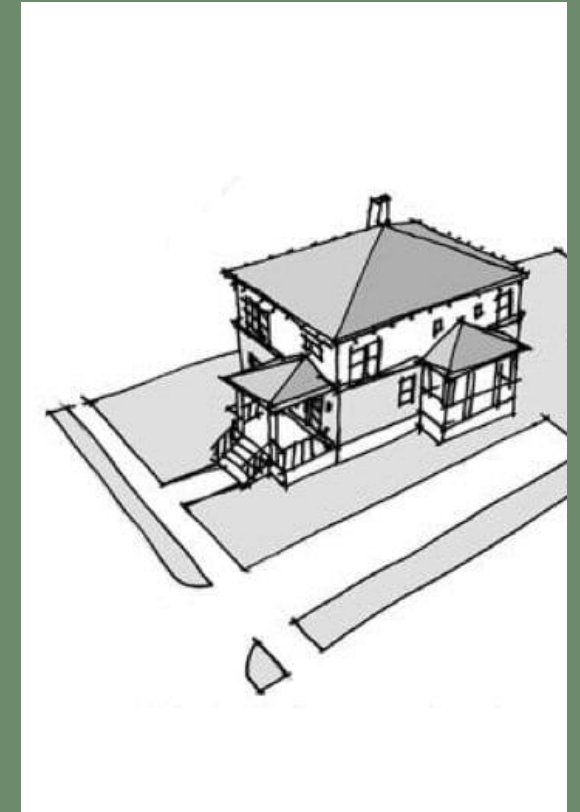
3 Southern New Hampshire ADUs



Attached ADU in Nashua



Detached ADU in Londonderry



Manchester renovation

Nashua, NH



ADU Type:
Attached



Size:
720 sq ft



**Total Cost of
Construction:**
\$130,000





full kitchen

open concept
living space





Londonderry, NH



ADU Type:
Detached



Size:
1,275 sq ft



**Total Cost of
Construction:**
\$126,000





Londonderry, NH



**Application
fee=**
\$25



**Building
permit fee=**
\$781

Manchester, NH



ADU Type:
Renovation



Size:
**450 sq ft within
single family
dwelling**



**Total Cost of
Construction:**
\$1,215



Manchester, NH



Application Fee= \$25

Permit Fee= \$30



Impact Fees:

New Res Fire= \$190

New School= \$1,530



Rental Income:

\$1,100/ month



Becoming a Landlord

Speaker: Paul McLaughlin



HomeOwnership Program Director

HOMETeamNH (Neighborworks Southern NH)

Joined Neighborworks Southern New Hampshire in 2011

Certified Mortgage Professional (CMP)

Provides pre-purchase, foreclosure prevention, post purchase and landlord counseling.

Webpage: <https://www.hometeamnh.org/>



Becoming A Landlord

Rewards, risks, and responsibilities for owner occupants of two to four family homes

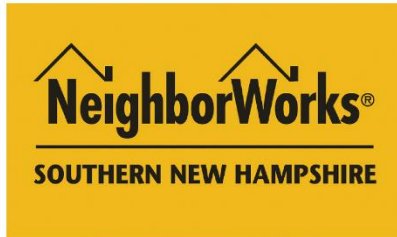
Presented by:

Paul McLaughlin

Home Ownership Director

pmclaughlin@hometeamnh.org

Who are we?



NASHUA ❄ MANCHESTER ❄ CONCORD ❄ LACONIA

Our Mission Statement...

HOMETeam Education and Resources provides New Hampshire residents with the information and tools they need to make good financial decisions related to purchasing, renting, and maintaining a home.

Services We Offer

- Home Buyer Education
- Financial Capabilities Training
- Landlord Responsibilities Workshops
- Post Purchase Counseling
- One on One Coaching Sessions
 - Both Homebuyer and Homeowner

SAMPLE

Becoming A Landlord Workshop Agenda

- **Fair Housing Laws**
- **Landlord/Tenant Laws**
- **Lead Paint Laws and Remediation**
- **Tenant Vetting Resources**
- **Financing 2-4 Unit Properties**
- **2-4 Unit Insurance Considerations**
- **Tax Advantages/Considerations**

Reasons for Wanting to Purchase a Multi-Family Property

- Purchase a home that you otherwise could not afford
- Want Family or A Friend to Live in One of Your Units
 - Steady Income Stream
 - Tax Advantages
 - Location of Property!

Is being a landlord right for you?

PROS

- REWARDING
- PROFITABLE
- UNLIMITED POTENTIAL FOR SUCCESS
- GROWTH OF EQUITY AND NET WORTH
- INTERGENERATIONAL HOUSING

CONS

- CHALLENGING
- LEARNING CURVE
- UNLIMITED POTENTIAL FOR DISASTER
- NOT 9-5
- COLLECTING TIMELEY RENT
- HARDWORK

Finding Reliable Tenants

- Landlords must understand the basics of Fair Housing.
 - Do not discriminate! Treat all applicants the same!
 - Use a standard application form with **ALL** applicants.
 - Ask for references from prior landlords.
 - Conduct a Short Interview with the applicant.
- Document decisions when rejecting or accepting applicants!
 - Establish uniform standards for accepting tenants.
- Be sure to verify the tenants ability and willingness to pay rent.
 - Check the applicant's credit & criminal record.



THANK YOU!

Paul McLaughlin

HOMEteam Director

801 Elm St, 2nd Floor

Manchester, NH 03101

pmclaughlin@hometeamnh.org

603.782.0536

The Future of ADUs

Speaker: Todd Fahey



State Director
AARP New Hampshire

A New Hampshire Native

AARP New Hampshire has over 215,000 members

Responsible for overall leadership of AARP New Hampshire

Webpage: <https://states.aarp.org/new-hampshire/>

Opinions of NH Residents Age 45+ on Accessory Dwelling Units

INDEPENDENT LIVING IS IMPORTANT TO NH RESIDENTS, BUT HOUSING PRICES AND PROPERTY TAXES ARE HIGH AND GETTING HIGHER.



57%

say property taxes will impact their ability to remain in their homes

70%

ARE CONCERNED ABOUT BEING ABLE TO AFFORD TO REMAIN IN THEIR HOMES AS THEY AGE

67%

ARE CONCERNED ABOUT BEING ABLE TO FIND AFFORDABLE HOUSING IF THEY NEEDED TO DOWNSIZE OR MOVE TO ANOTHER COMMUNITY

An Accessory Dwelling Unit, or ADU, is a residential unit built onto an existing single-family home or contained within the existing home. It is commonly referred to as a “granny flat” or “in-law quarters.” ADUs provide complete separate living quarters, including a kitchen and bathroom, that can allow older adults to age in their existing home with live-in care, make it possible for adults to assist their aging parents, other relatives and loved ones, or be used for rental income.



7%

of NH residents age 45+ currently have an ADU on their property and the majority did it to enable a family member to live nearby



About half (47%) would consider creating an ADU if they had space on their property to do so



86%

support town ordinances that make it easier for property owners to create ADUs on their properties

Questions and Answers

Q & A Facilitation: Sylvia von Aulock



Executive Director

Southern NH Planning Commission

With the Commission since 2015

Masters in Landscape Architecture from SUNY in Syracuse

As team captain Sylvia strives for positive solutions to the challenges of the SNHPC region

Webpage: <https://www.snhpc.org/about-snhpc>

How-to-do an ADU

Questions and Answers

- Write your comments in the Zoom Q+A box, workshop moderators will type a response, or the moderators will pose your question to the workshop speakers for a live response
- All participants will remain muted and unable to use video during the webinar



Tell Us How We Did...

Complete the Webinar Evaluation:

<https://forms.gle/B8xM4Lug6U75ojTv8>

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